

# Town of Simsbury Connecticut



## Annual Comprehensive Financial Report

For The Fiscal Year Ended  
June 30, 2022

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# **Annual Comprehensive Financial Report**

of the

## **TOWN OF SIMSBURY, CONNECTICUT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Department of Finance  
Amy Meriwether  
Director of Finance

**TOWN OF SIMSBURY, CONNECTICUT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2022**

**INTRODUCTORY SECTION**

<b>LETTER OF TRANSMITTAL</b>	<b>I</b>
<b>CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING</b>	<b>VI</b>
<b>PRINCIPAL OFFICIALS</b>	<b>VII</b>
<b>ORGANIZATION CHART</b>	<b>VIII</b>

**FINANCIAL SECTION**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>5</b>

**BASIC FINANCIAL STATEMENTS**

**EXHIBITS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

<b>STATEMENT OF NET POSITION</b>	<b>I</b>	<b>17</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>II</b>	<b>19</b>

**FUND FINANCIAL STATEMENTS**

**GOVERNMENTAL FUNDS**

<b>BALANCE SHEET</b>	<b>III</b>	<b>20</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES</b>	<b>IV</b>	<b>22</b>

**PROPRIETARY FUND**

<b>STATEMENT OF NET POSITION</b>	<b>V</b>	<b>24</b>
<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	<b>VI</b>	<b>25</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>VII</b>	<b>26</b>

**FIDUCIARY FUNDS**

<b>STATEMENT OF FIDUCIARY NET POSITION</b>	<b>VIII</b>	<b>27</b>
<b>STATEMENT OF CHANGES IN FIDUCIARY NET POSITION</b>	<b>IX</b>	<b>28</b>

<b>NOTES TO FINANCIAL STATEMENTS</b>		<b>29</b>
--------------------------------------	--	-----------

**TOWN OF SIMSBURY, CONNECTICUT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2022**

**REQUIRED SUPPLEMENTARY INFORMATION**

**GENERAL FUND**

<b>SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES – BUDGET AND ACTUAL</b>	<b>RSI-1</b>	<b>81</b>
---	--------------	-----------

<b>SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL</b>	<b>RSI-2</b>	<b>85</b>
--	--------------	-----------

**SEWER OPERATING FUND**

<b>SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>RSI-3</b>	<b>88</b>
--	--------------	-----------

**PENSION FUNDS**

<b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS TOWN PENSION PLAN</b>	<b>RSI-4A</b>	<b>90</b>
--	---------------	-----------

<b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS POLICE PENSION PLAN</b>	<b>RSI-4B</b>	<b>91</b>
--	---------------	-----------

<b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS BOARD OF EDUCATION PLAN</b>	<b>RSI-4C</b>	<b>92</b>
--	---------------	-----------

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS – TOWN PENSION PLAN</b>	<b>RSI-5A</b>	<b>93</b>
---	---------------	-----------

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS – POLICE PENSION PLAN</b>	<b>RSI-5B</b>	<b>94</b>
---	---------------	-----------

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS – BOARD OF EDUCATION PLAN</b>	<b>RSI-5C</b>	<b>95</b>
---	---------------	-----------

<b>SCHEDULE OF INVESTMENT RETURNS – PENSION</b>	<b>RSI-6</b>	<b>96</b>
---	--------------	-----------

<b>SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – TEACHERS RETIREMENT PLAN</b>	<b>RSI-7</b>	<b>97</b>
---	--------------	-----------

<b>SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS – OPEB</b>	<b>RSI-8</b>	<b>98</b>
--	--------------	-----------

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS – OPEB</b>	<b>RSI-9</b>	<b>99</b>
--	--------------	-----------

<b>SCHEDULE OF INVESTMENT RETURNS – OPEB</b>	<b>RSI-10</b>	<b>100</b>
--	---------------	------------

<b>SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – TEACHERS RETIREMENT PLAN</b>	<b>RSI-11</b>	<b>101</b>
--	---------------	------------

**TOWN OF SIMSBURY, CONNECTICUT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2022**

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**GENERAL FUND**

COMBINING BALANCE SHEET	A-1	103
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE	A-2	104
SCHEDULE OF BOARD OF EDUCATION EXPENDITURES – BUDGET AND ACTUAL	A-3	105

**NONMAJOR GOVERNMENTAL FUNDS**

COMBINING BALANCE SHEET	B-1	109
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-2	112
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)	B-3	115

**INTERNAL SERVICE FUNDS**

COMBINING STATEMENT OF NET POSITION – PROPRIETARY FUNDS	C-1	117
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	C-2	118
COMBINING STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	C-3	119

**FIDUCIARY FUNDS**

COMBINING STATEMENT OF FIDUCIARY NET POSITION – TRUST FUNDS	D-1	121
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – TRUST FUNDS	D-2	122

**OTHER SCHEDULES**

	SCHEDULE	
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING	1	123
SCHEDULE OF CHANGES IN SEWER USER CHARGES RECEIVABLE	2	124
SCHEDULE OF CHANGES IN SEWER ASSESSMENT RECEIVABLE	3	125

**TOWN OF SIMSBURY, CONNECTICUT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2022**

<b>SCHEDULE OF DEBT LIMITATION</b>	<b>4</b>	<b>126</b>
 <b>STATISTICAL SECTION</b>		
	<b>TABLES</b>	
 <b>FINANCIAL TRENDS</b>		
<b>NET POSITION BY COMPONENT</b>	<b>1</b>	<b>128</b>
<b>CHANGES IN NET POSITION</b>	<b>2</b>	<b>129</b>
<b>FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>3</b>	<b>131</b>
<b>REVENUES, EXPENDITURES, AND CHANGES IN FUND     BALANCES – GOVERNMENTAL FUNDS</b>	<b>4</b>	<b>132</b>
 <b>REVENUE CAPACITY</b>		
<b>ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE     PROPERTY</b>	<b>5</b>	<b>134</b>
<b>PRINCIPAL PROPERTY TAXPAYERS</b>	<b>6</b>	<b>135</b>
<b>PROPERTY TAX LEVIES AND COLLECTIONS</b>	<b>7</b>	<b>136</b>
 <b>DEBT CAPACITY</b>		
<b>RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE     AND NET GENERAL BONDED DEBT PER CAPITA</b>	<b>8</b>	<b>137</b>
<b>DIRECT AND OVERLAPPING GOVERNMENTS</b>	<b>9</b>	<b>138</b>
<b>LEGAL DEBT MARGIN INFORMATION</b>	<b>10</b>	<b>139</b>
 <b>DEMOGRAPHIC AND ECONOMIC STATISTICS</b>		
<b>DEMOGRAPHIC AND ECONOMIC STATISTICS</b>	<b>11</b>	<b>140</b>
<b>PRINCIPAL EMPLOYERS</b>	<b>12</b>	<b>141</b>
 <b>OPERATING INFORMATION</b>		
<b>FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY     FUNCTION/PROGRAM</b>	<b>13</b>	<b>142</b>
<b>OPERATING INDICATORS BY FUNCTION/PROGRAM</b>	<b>14</b>	<b>143</b>
<b>CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM</b>	<b>15</b>	<b>144</b>

## **INTRODUCTORY SECTION**



# TOWN OF SIMSBURY

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March 1, 2023

To the Board of Selectmen, Board of Education, Board of Finance, Town Manager, and citizens of the Town of Simsbury:

Connecticut State Statutes require that all municipal entities publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Town of Simsbury, Connecticut for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the Town of Simsbury, Connecticut. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Simsbury has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Simsbury for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Simsbury financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town was part of broader, federal, and state mandated "Single Audits" designed to meet the special needs of federal and state grantor agencies. The standards governing the Federal and State Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Simsbury's separately issued Single Audit Reports.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Simsbury's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The Town of Simsbury was incorporated as Connecticut's twenty-first Town in May 1670. It has a land area of approximately 34.5 square miles and a population of approximately 24,799. Centrally located in the heart of the New York - Boston corridor, Simsbury is a most attractive and diverse suburban community. As a part of the beautiful Farmington Valley, Simsbury offers an unmatched quality of life with a traditional New England town atmosphere in a setting of rolling hills, the picturesque Farmington River, and well-manicured properties. Simsbury is conveniently located 20 minutes northwest of Hartford and 20 minutes southwest of Bradley International Airport.

The Town of Simsbury operates under a Charter revised as of December 4, 2017. The form of government is Board of Selectmen/Town Manager - Board of Finance - Referendum. There are five Selectmen (2-year term) and a First Selectman (2-year term). There is also an eight-member Board of Education (4-year term) and a six-member Board of Finance (6-year term). Effective December 4, 2017, the Town Manager is the full-time Chief Executive and Chief Administrative Officer of the town - a role formerly performed by the First Selectman/Selectwoman. The legislative authority of the government is vested in the Board of Selectmen. The Charter requires an automatic referendum for the annual budget and for expenditures in excess of 2% of the annual budget.

The Town of Simsbury provides a full range of services, including police protection; the construction and maintenance of streets and other infrastructure; recreational activities and cultural events; and a public school system which is one of the finest in the state and national level for excellence. Certain sanitation services are provided by a legally separate Water Pollution Control Authority, which functions in essence as a department of the Town of Simsbury and therefore its operations have been included as an integral part of the Town of Simsbury's financial statements.

## **Annual Budget Process**

The budget serves as the foundation of the Town of Simsbury's financial planning and control. The proposed budget is presented during at least one Board of Finance Public Hearing in April. The proposed budget is subject to an automatic referendum by all qualified voters of the Town to be held from 14 to 21 days after the Board of Finance files the approved budget with the Town Clerk. Should the referendum fail to adopt the budget, the Board of Finance, in cooperation with the Town Manager, Board of Selectmen and Board of Education, shall revise the annual budget, or that portion thereof which has been rejected at the referendum, and present it at a subsequent Board of Finance Public Hearing and referendum for acceptance. If the budget remains unaccepted at the second referendum, the budget adopted for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.

## **Local Economy**

Early in 1994, the Town hired a full-time professional Economic Development Coordinator who formulated a Strategic Plan to guide the Town's economic development efforts to help stimulate the growth of high-quality development. A fiscal impact study was completed in January 1995 to formulate a development strategy for the future. The Town encourages economic development through financial

participation in the construction of roads and infrastructure. Economic development efforts have focused on outreach programs, growing home-based businesses, and marketing various commercial and industrial properties to international corporations. An indicator of the Town's success in carrying out its economic development plan was the move of the International Skating Center of Connecticut to town. The Center features a twin ice rink Olympic training facility, a professional dance studio, a fully-equipped weight and fitness center, a state-of-the-art sound system, a pro shop and lounge, and spectator seating for roughly 1,700 people. More recently, an outdoor Performing Arts Center, able to host a full symphony orchestra, with seating area for 10,000 was completed.

The Town supported economic development by constructing the Iron Horse Boulevard, a central downtown street that allows residents and shoppers to move quickly north and south through the Town behind the majority of the Town's retail establishments without cutting off access to those stores.

On the commercial level, the Town's retail centers include the completely rebuilt Simsbury Commons (formally the Farmington Valley Mall), Drake Hill Mall, Simsbury Town Shoppes, and recently renovated Andy's Plaza.

Dyno Nobel/Ensign-Bickford Industries owns substantial real estate in the Town on which it has developed high quality residential structures and over 235,000 square feet of Class A office and research space. The company's Powder Forest Business Park has approximately 550 acres for development and its strict design and construction standards ensure a high level of aesthetics in harmony with the surrounding land.

The former Hartford Special Machine, Inc., building and its site were purchased by a partnership of developers and is now known as Tower Business Park. The building, originally 68,000 square feet on one floor, was completely renovated and a 51,000 square foot second floor was added for a total of 119,000 square feet of rental office space. A second three-story office building containing 45,000 square feet was added. Currently, both Chubb Executive Risk, Inc., a national insurance company employing about 250-499 people, and Blue Ridge Insurance, employing about 140 people, occupy the site.

The Town's current unemployment rate is 3.5% compared to the State average of 4.0% and the national average of 3.6%.

### **Long-Term Financial Planning**

The Town and Board of Education has a six-year Capital Improvement Plan which totals approximately \$86 million, of which is estimated that \$58 million will be funded through debt and the remainder from the tax levy, grants, and fund balance.

## **Relevant Financial Policies**

The Town of Simsbury's written financial policies are as follows:

- CNR and Capital Policy
- Capital Asset Policy
- Investment Policy
- Pension Investment Policy and Investment Objectives
- Defined Contribution Pension Plan Investment Policy
- Other Post Employment Benefit (OPEB) Trust Investment Policy
- Policy for Budgetary Transfers and Supplemental Appropriations
- Board of Education Non-Lapsing Account Policy
- Purchasing Policy
- Fund Balance Policy
- Debt Policy

The Town's debt policy establishes, as a long-term objective, that debt retirement expenses (interest and principal) be at a rate of not more than 8% of the total annual budget. For the year ended June 30, 2022, the annual debt retirement expense percentage in relation to the total annual budget was 6.18% and therefore in compliance with the Town's debt policy.

## **Major Initiatives**

The following major projects were subsequently approved at Referendum on May 3, 2022:

- \$2,550,000 was approved and authorized to be funded via the issuance of bonds for a golf course irrigation system replacement
- \$1,650,000 was approved and authorized to be funded via grants and the issuance of bonds for district climate control improvements
- \$1,582,744 was approved and authorized to be funded via grants for multi-use trail connections/trail development (Rt 10 to Curtiss Park)
- \$1,205,000 was approved and authorized to be funded via cash, grants, and the issuance of bonds for highway pavement management
- \$1,000,000 was approved and authorized to be funded via grants and the issuance of bonds for a roof replacement at Tariffville School
- \$480,000 was approved and authorized to be funded via the issuance of bonds for water distribution & drainage systems at Tootin Hills Elementary
- \$450,000 was approved and authorized to be funded via the issuance of bonds for municipal site and safety improvements (Town Hall)
- \$400,000 was approved and authorized to be funded via the issuance of bonds for district network infrastructure
- \$370,000 was approved and authorized to be funded via grants and the issuance of bonds for a roof replacement at Central School
- \$360,000 was approved and authorized to be funded via cash for the Eno entrance improvements
- \$350,000 was approved and authorized to be funded via grants for Tariffville Park court replacement
- \$350,000 was approved and authorized to be funded via cash for the Performing Arts Center/Rotary Park restrooms
- \$350,000 was approved and authorized to be funded via cash for modular replacement at Tariffville School

- \$300,000 was approved and authorized to be funded via grants for multi-use trail connections/trail development (Curtiss Park to Tariffville)
- \$280,000 was approved and authorized to be funded via grants for Old Drake Hill Road/Flower Bridge repairs
- \$250,000 was approved and authorized to be funded via cash for Central School electrical service/distribution
- \$245,000 was approved and authorized to be funded via the issuance of bonds for Eno parking lot improvements
- \$200,000 was approved and authorized to be funded via the issuance of bonds for sidewalk reconstruction
- \$150,000 was approved and authorized to be funded via the Sewer Use Fund for a primary clarifier

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its annual comprehensive financial report for fiscal year ended June 30, 2021. This was the twenty second consecutive year that we have received this prestigious award. In order to be awarded a Certificate of Achievement, the Town must publish an easily readable and efficiently organized annual comprehensive financial report. The report published satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. In addition, the accounting firm of CliftonLarsonAllen LLP, made substantial contributions in the development of this document. Due credit also should be given to the Town Manager, Board of Selectmen, Board of Education and the Board of Finance for their cooperation, assistance, and support throughout the year in matters pertaining to the financial affairs of the Town.

Respectfully submitted,



Amy Meriwether  
Director of Finance/Treasurer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Simsbury  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

Executive Director/CEO

## **PRINCIPAL OFFICIALS**

**As of June 30, 2022**

### **BOARD OF SELECTMEN**

Wendy Mackstutis, First Selectman  
Amber Abbuhl, Deputy First Selectman  
Sean Askham  
Eric Wellman  
Chris Peterson  
Heather Goetz

### **BOARD OF EDUCATION**

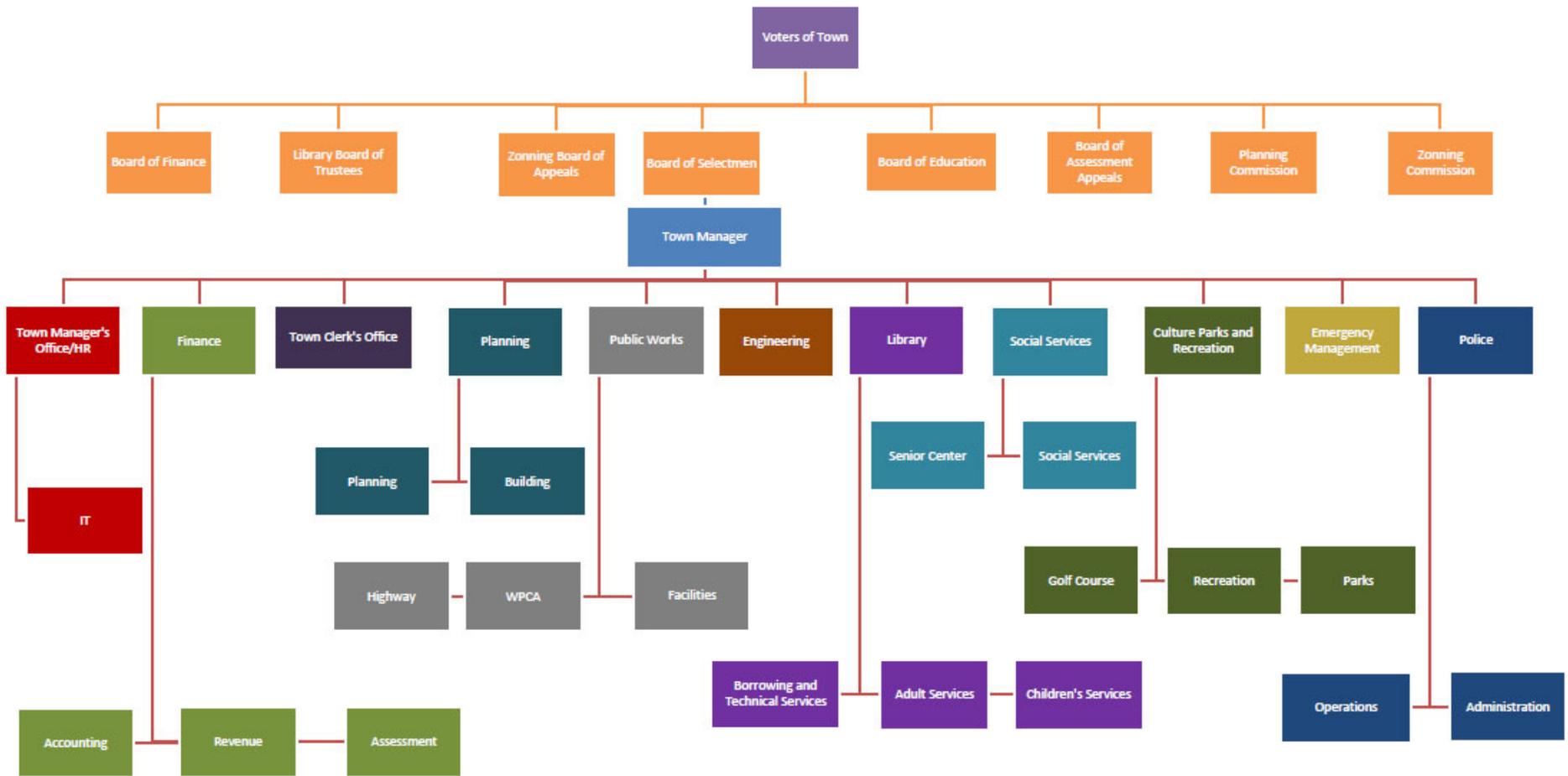
Susan Salina, Chairman  
Todd S. Burrick  
Tara Donohue Willerup  
Jeffrey Tindall  
Lydia A. Tedone  
Sharon Thomas  
Jennifer Batchelar  
Brian Watson

### **BOARD OF FINANCE**

Lisa Heavner, Chairman  
Arthur House, Vice Chairman  
Linda Schofield  
Derek Peterson  
Bert Helfand  
Mike Doyle

### **APPOINTED OFFICIALS**

Matthew Curtis, Superintendent  
Amy Meriwether, Director of Finance/Treasurer  
Patricia Munroe, Town Clerk  
Colleen O'Connor, Tax Collector  
Francine Beland, Assessor  
Michael Berry, Director of Civil Preparedness  
Kristen Formanek, Social Service Director  
Thomas Tyburski, Director of Culture, Parks & Recreation  
George McGregor, Director of Planning  
Vacant, Conservation Officer  
Henry Miga, Building Official  
Thomas Roy, Town Engineer  
Updike, Kelley & Spellacy, Town Attorney



## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Board of Finance  
Town of Simsbury, Connecticut

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Simsbury, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter - Change in Accounting Principle**

As discussed in Note 1 to the financial statements, effective July 1, 2021, the Town of Simsbury, Connecticut adopted new accounting guidance for leases. The guidance requires lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Simsbury, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Simsbury, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Simsbury, Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Simsbury, Connecticut's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Board of Finance  
Town of Simsbury, Connecticut

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated **March 14, 2023** March 1, 2023, on our consideration of the Town of Simsbury, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Simsbury, Connecticut's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
March 1, 2023

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

The management of the Town of Simsbury, Connecticut (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- At the end of the fiscal year the town's unassigned general fund balance was \$19,040,378 or 16.67% of General Fund expenditures.
- On a government-wide basis, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$126,055,493 for Governmental Activities.
- As of the close of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$37,662,374, a decrease of \$7,420,969 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, planning and development, public safety, facility management, culture and recreation, health, insurances, education, special projects, and long-term debt.

The government-wide financial statements can be found on pages 17 to 19 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

**Governmental Funds** - Governmental Funds are used to account for essentially the same functions reported as Governmental Activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of Governmental Funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for Governmental Funds with similar information presented for Governmental Activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities.

The Town maintains 52 individual funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sewer Use Fund, BOE Programs Fund, Capital Project Fund, and the ARPA fund, all of which are considered to be major funds.

Data from the other 48 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund and three of its special revenue funds, Sewer Fund, Residential Rental Properties Fund and Simsbury Farms Fund. Budgetary comparison schedules have been provided for all four funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20 to 23 of this report.

**Proprietary Funds** - The Town maintains a Self-Insurance Fund to account for the self-insurance program for health insurance coverage for the Town and Board of Education employees.

The proprietary fund financial statements can be found on pages 24 to 26 of this report.

**Fiduciary Funds** - Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

The basic fiduciary fund financial statements can be found on pages 27 to 28 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 to 80 of this report.

**Required Supplementary Information**

This report contains certain supplementary information concerning the Town's compliance with legally adopted budgets for the General Fund and Sewer Fund, a major special revenue fund, as well as progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees.

**Other Information**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 103 to 122 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$126,055,493 at the close of the most recent fiscal year.

By far, the largest portion of the Town's net position is its net investment in capital assets (e.g., land, buildings, machinery, and equipment). It is presented in the statement of net position less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets, net of accumulated depreciation, is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

**NET POSITION - GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Current assets	\$ 58,687,387	\$ 61,106,772
Capital assets, net of accumulated depreciation	154,535,804	147,983,394
Noncurrent assets	1,687,165	2,041,371
Total Assets	<u>214,910,356</u>	<u>211,131,537</u>
 Deferred Outflow of Resources	 <u>14,098,477</u>	 <u>8,413,775</u>
Current liabilities	17,064,487	15,788,084
Noncurrent liabilities	76,943,874	69,745,698
Total Liabilities	<u>94,008,361</u>	<u>85,533,782</u>
 Deferred Inflow of Resources	 <u>8,944,979</u>	 <u>11,489,261</u>
Net Position:		
Net investment in capital assets	111,009,498	102,108,821
Restricted	2,447,121	1,729,407
Unrestricted	<u>12,598,874</u>	<u>18,684,041</u>
 Total Net Position	 <u><u>\$ 126,055,493</u></u>	 <u><u>\$ 122,522,269</u></u>

The government's net position increased by \$3,533,224 or 2.88% during the current fiscal year from \$122,522,269 at June 30, 2021, to \$126,055,493 at June 30, 2022. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, is \$12,598,874 at the end of this year compared to \$18,684,041 at the end of the prior year for a decrease of \$6,085,167.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

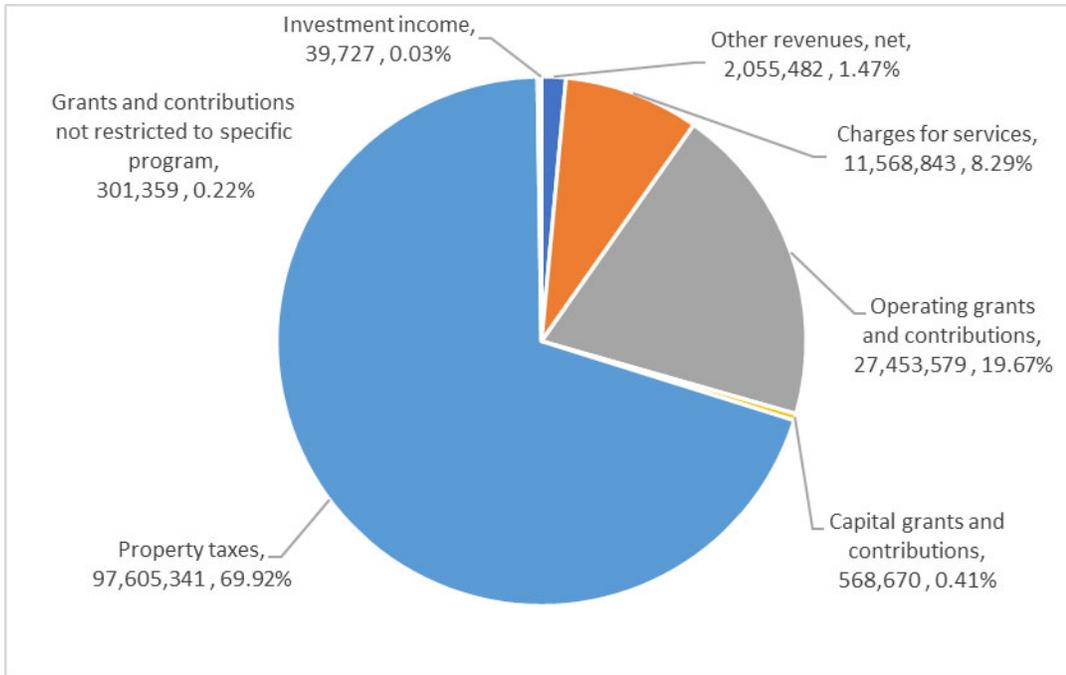
**CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Revenues:		
Program revenues:		
Charges for services	\$ 11,633,929	\$ 11,357,305
Operating grants and contributions	27,456,694	38,619,783
Capital grants and contributions	1,758,102	2,333,645
General revenues:		
Property taxes	97,605,341	93,530,124
Grants and contributions not restricted to specific purpose	301,359	136,603
Unrestricted investment earnings	39,727	216,796
Other general revenues, net	2,055,482	1,888,451
Total revenues	<u>140,850,634</u>	<u>148,082,707</u>
 Program expenses:		
General government	4,922,143	3,109,289
Planning and development	623,913	751,246
Public safety	6,482,826	6,092,548
Facility management	13,015,366	9,547,697
Culture and recreation	5,703,843	8,119,710
Health and welfare	986,983	974,252
Education	104,809,005	113,993,273
Interest on long-term debt	773,331	123,487
Total expenses	<u>137,317,410</u>	<u>142,711,502</u>
 Change in net position	3,533,224	5,371,205
 Net Position - July 1	<u>122,522,269</u>	<u>117,151,064</u>
 Net Position - June 30	<u>\$ 126,055,493</u>	<u>\$ 122,522,269</u>

Total revenues were \$140,850,634 and \$148,082,707 for the years ended June 30, 2022 and 2021, respectively. Total cost of all programs and services were \$137,317,410, and \$142,711,502, respectively, for the years ended June 30, 2022 and 2021. Net position increased by \$3,533,224 for the year ended June 30, 2022, while net position increased by \$5,371,205 for the year ended June 30, 2021.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

**Revenue by Source - Governmental Activities**



**Governmental Activities**

Major revenue factors during the year include:

- Property taxes collected increased by \$4,075,217 or 4.36%.
- Charges for goods and services increased by \$276,624 or 2.43%. Illustrated below is a comparison between 2022 and 2021:

	<u>2022</u>	<u>2021</u>	<u>Variance</u>
General government	\$ 1,356,076	\$ 1,218,097	\$ 137,979
Planning and development	79,112	61,235	17,877
Public safety	517,262	664,915	(147,653)
Facility management	4,138,888	4,600,565	(461,677)
Culture and recreation	2,317,281	1,855,922	461,359
Health and welfare	533	598	(65)
Education	3,224,777	2,955,973	268,804
<b>Total</b>	<b><u>\$ 11,633,929</u></b>	<b><u>\$ 11,357,305</u></b>	<b><u>\$ 276,624</u></b>

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

- Operating grants and contributions decreased by \$11,163,089:

	<u>2022</u>	<u>2021</u>	<u>Variance</u>
General government	\$ 3,511,170	\$ 592,814	\$ 2,918,356
Planning and development	1,453,071	993,162	459,909
Public safety	15,358	57,691	(42,333)
Facility management	27,968	28,408	(440)
Culture and recreation	42,186	15,507	26,679
Health and welfare	59,103	49,271	9,832
Education	<u>22,347,838</u>	<u>36,882,930</u>	<u>(14,535,092)</u>
Total	<u>\$ 27,456,694</u>	<u>\$ 38,619,783</u>	<u>\$ (11,163,089)</u>

- Capital grants and contributions decreased by \$575,543. Illustrated below is a breakdown comparison between 2022 and 2021:

	<u>2022</u>	<u>2021</u>	<u>Variance</u>
Facility management	\$ 697,277	\$ 1,565,437	\$ (868,160)
Education	<u>1,060,825</u>	<u>768,208</u>	<u>292,617</u>
Total	<u>\$ 1,758,102</u>	<u>\$ 2,333,645</u>	<u>\$ (575,543)</u>

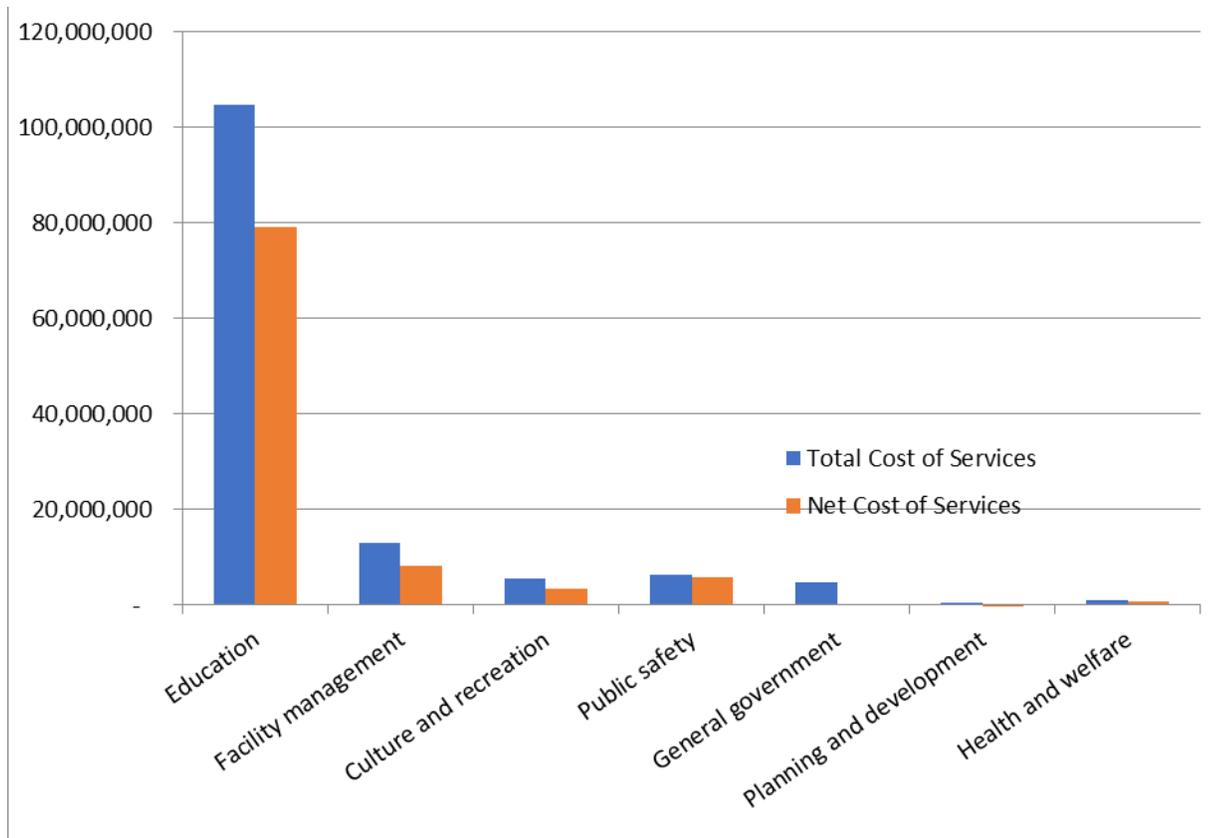
The following table presents the cost of each of the Town's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

**GOVERNMENTAL ACTIVITIES  
For the Year Ended June 30, 2022**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General government	\$ 4,922,143	\$ (54,897)
Planning and development	623,913	908,270
Public safety	6,482,826	(5,950,206)
Facility management	13,015,366	(8,151,233)
Culture and recreation	5,703,843	(3,344,376)
Health and welfare	986,983	(927,347)
Education	104,809,005	(78,175,565)
Interest on long-term debt	773,331	(773,331)
	<u>\$ 137,317,410</u>	<u>\$ (96,468,685)</u>
Total		

**Expenses and Net Cost of Services - Governmental Activities**



**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

**Financial Analysis of the Government's Funds**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the Town's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$37,662,374 representing a decrease of \$7,420,969 or 16.46% in comparison with the prior year. Of this total amount, \$126,928 is non-spendable, \$1,257,689 is restricted by governmental grants, \$16,957,585 is committed by the Simsbury Board of Finance (Budget-Making Authority), \$280,215 is assigned and \$19,039,957 is unassigned. The \$19,039,957 unassigned fund balance is available for spending at the Town's discretion. The total unassigned fund balance is based on a positive general fund balance in that amount.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$19,040,378, while total fund balance was \$20,041,310. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Of this total fund balance \$69,409 is non-spendable, \$280,215 is assigned, and \$651,308 is committed, with the balance being unassigned in the amount the \$19,040,378. The total fund balance of the Town's General Fund increased by \$2,060,530 during the current fiscal year and the unassigned fund balance increased by \$2,085,011. See "General Fund Budgetary Highlights" below for analysis for notable General Fund activity during the year.

The Sewer Use Fund has a fund balance of \$7,320,255 at the end of the year, a decrease of \$5,462 from the prior year. The intention is to have fund balance be used to help pay the debt service on the Waste Water Treatment Plant \$26.8 million renovation and expansion capital project. This project was funded 100% by the State of Connecticut Clean Water Fund 2% Loan and Grant program, which was refunded in 2021. This project is completed and payments began on the 20-year, 2% loan program in September 2008. The loan will be repaid by future sewer user charges. The majority of the increase to fund balance relates to unanticipated revenues in excess of budget for assessments.

The Capital Project Fund has a fund balance of \$4,277,194 at the end of the year, representing a decrease of \$8,199,291 over the prior year fund balance of \$12,476,485. Fund balance decreased as a result of not borrowing for bonded projects in the current year.

Other nonmajor governmental funds have a total fund balance of \$5,344,011, representing a decrease of \$1,151,403 from the prior year as illustrated.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

<b>Nonmajor Governmental Funds</b>	<b>2022</b>	<b>2021</b>	<b>Variance</b>
Residential Rental Properties	\$ 429,371	\$ 403,268	\$ 26,103
Simsbury Farms Fund	646,083	207,182	438,901
General Government Program Fund	142,565	140,055	2,510
Public Safety Program Fund	142,529	262,994	(120,465)
Planning & Development Program Fund	310,044	290,820	19,224
Facilities Management Program Fund	548,130	824,092	(275,962)
Health & Welfare Program Fund	340,856	295,893	44,963
Culture & Recreation Program Fund	134,592	162,426	(27,834)
Sewer Assessment Fund	212,300	1,610,998	(1,398,698)
Cafeteria	114,151	(168,655)	282,806
State and Federal Education Grants	423	-	423
Capital and Nonrecurring Expenditures Fund	1,739,834	1,695,221	44,613
Student Activity	326,605	400,200	(73,595)
Flex Spending Fund	26,645	36,898	(10,253)
Continuing Education	181,303	283,326	(102,023)
Enrichment & Extended Day	48,580	50,696	(2,116)
<b>Total</b>	<b><u>\$ 5,344,011</u></b>	<b><u>\$ 6,495,414</u></b>	<b><u>\$ (1,151,403)</u></b>

**General Fund Budgetary Highlights**

The original general fund budget including other financing sources and uses of \$105,975,917 was increased by \$370,342 to the final budget of \$106,346,259 due to the following:

- \$1,268,585 Salary and benefits savings in various departments including: Finance, Assessment, Information Technology, Planning, Building, Police, Animal Control, Public Works, Library, Parks & Recreation, Social Services, and the Senior Center. Savings related to vacant positions, staff turnover, unnegotiated contracts that were not finalized as of 6/30/22 and associated benefits savings related to these vacancies
- \$54,040 Contractual services savings, mainly from the Engineering department and Information Technology
- (\$765,000) contribution to the Capital Reserve Fund
- (\$673,505) contribution to the Board of Education to cover a year end loss related to increased Special Education costs
- (\$173,042) transfer to the Capital Reserve Fund to reimburse for supplemental appropriations originally paid for utilizing the Capital Reserve Fund
- (\$79,440) in increased legal expenditures

Actuals came in within final budget by \$17,591. This is mainly related to budgetary savings in the Non-Public Schools portion of the Board of Education budget.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

Actual revenues were more than budgetary estimates by \$1,838,026 mainly related to the following:

- \$964,901 increased tax collections due to a conservative assumed collection rate
- \$393,020 in unanticipated State and Federal grants to provide relief from additional expenditures incurred by the COVID-19 pandemic
- \$265,871 in increased conveyance and recording fees related to increased home sales
- \$215,385 in unanticipated Educational Cost Sharing Revenue
- \$119,748 in unanticipated FEMA storm grant funding
- \$63,194 in unanticipated PILOT grant funding
- \$42,340 related to an increased number of students paying tuition to attend Simsbury schools
- (\$270,286) appropriation from fund balance that was not needed

**Capital Asset and Debt Administration**

**Capital Assets** - The Town's investment in capital assets (net of accumulated depreciation) for its governmental activities as of June 30, 2022, amounted to \$154,535,804. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net change in the Town's investment in capital assets for the current fiscal year was an increase of \$6,552,410.

**CAPITAL ASSETS (net of depreciation)  
June 30, 2022**

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Land	\$ 15,622,693
Development rights	11,725,000
Construction in progress	7,101,495
Buildings and improvements	98,794,555
Land improvements	2,219,936
Equipment	8,214,171
Infrastructure	<u>10,857,954</u>
Total	<u>\$ 154,535,804</u>

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2022**

Additional information on the Town’s Capital Assets can be found in Note 3C on pages 47 to 48 of this report.

**Long-term Debt** - At the end of the current fiscal year, the Town had total bonded debt outstanding of \$41,479,568, of which \$6,058,358 is due within one year. All of the debt is backed by the full faith and credit of the Town.

**OUTSTANDING DEBT  
June 30, 2022**

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General obligation bonds	\$ 41,460,000
Loan payable - State of Connecticut	<u>19,568</u>
 Total	 <u>\$ 41,479,568</u>

The Town’s total debt decreased during the current fiscal year by \$6,018,274. The decrease was a result of paying down outstanding debt. No new debt was issued in the current fiscal year. The Town has an “Aaa” rating from Standard and Poor’s and Moody’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior years’ tax collections. The current debt limitation for the Town is \$656,657,960 which is significantly more than the Town’s outstanding general obligation debt.

Additional information on the Town’s long-term debt can be found in Note 3F on pages 49 to 51 of this report.

**Economic Factors and Next Year’s Budgets and Rates**

The Town’s elected Board of Finance considered many factors when setting the fiscal year 2022/23 budget spending guideline and mill rate. Factors included the economy, consumer price index, comparative town data, and the State budget situation. The current unemployment rate for the Town of Simsbury as of October 2022 was 3.1%, which is consistent with the prior year. This compares to the State’s average unemployment rate of 4.0% and the national average rate of 3.4%.

**Requests for Information**

This financial report is designed to provide a general overview of the Town’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance/Treasurer for the Town of Simsbury.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION  
JUNE 30, 2022**

	Governmental Activities
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 48,592,704
Investments	540,676
Accounts Receivable	8,568,577
Loans Receivable	372,502
Supplies	48,997
Prepaid Items	563,931
Total Current Assets	58,687,387
Noncurrent Assets:	
Capital Assets:	
Nondepreciable	34,449,188
Depreciable, Net	120,086,616
Loans Receivable	1,687,165
Total Noncurrent Assets	156,222,969
Total Assets	214,910,356
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to Pension	10,669,142
Deferred Outflows Related to OPEB	2,992,690
Deferred Charge on Refunding	436,645
Total Deferred Outflows of Resources	14,098,477

See accompanying Notes to Financial Statements.

TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2022

	Governmental Activities
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 4,237,451
Accrued Interest Payable	419,638
Unearned Revenues	4,465,375
Bonds and Loans Payable	6,058,358
Compensated Absences	838,565
Claims Liability	1,040,100
Landfill Post Closure	5,000
Total Current Liabilities	<u>17,064,487</u>
Noncurrent Liabilities:	
Bonds and Loans Payable	39,186,204
Net Pension Liability	33,603,836
Net OPEB Liability	3,924,099
Compensated Absences	204,735
Landfill Post Closure	25,000
Total Noncurrent Liabilities	<u>76,943,874</u>
Total Liabilities	94,008,361
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Leases	2,866,371
Deferred Inflows Related to Pension	608,804
Deferred Inflows Related to OPEB	5,469,804
Total Deferred Inflows of Resources	<u>8,944,979</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	111,009,498
Restricted for:	
Grants	1,536,278
Education Trusts	59,032
Facility Management Trusts	186,524
Health and Welfare Trusts	82,154
Other Purposes	583,133
Unrestricted	<u>12,598,874</u>
Total Net Position	<u>\$ 126,055,493</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Function/Program Activities	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities:					
General Government	\$ 4,922,143	\$ 1,356,076	\$ 3,511,170	\$ -	\$ (54,897)
Planning and Development	623,913	79,112	1,453,071	-	908,270
Public Safety	6,482,826	517,262	15,358	-	(5,950,206)
Facility Management	13,015,366	4,138,888	27,968	697,277	(8,151,233)
Culture and Recreation	5,703,843	2,317,281	42,186	-	(3,344,376)
Health and Welfare	986,983	533	59,103	-	(927,347)
Education	104,809,005	3,224,777	22,347,838	1,060,825	(78,175,565)
Interest on Long-Term Debt	773,331	-	-	-	(773,331)
Total Governmental Activities	<u>\$ 137,317,410</u>	<u>\$ 11,633,929</u>	<u>\$ 27,456,694</u>	<u>\$ 1,758,102</u>	<u>(96,468,685)</u>
<b>GENERAL REVENUES</b>					
					97,605,341
					301,359
					39,727
					2,055,482
					<u>100,001,909</u>
<b>CHANGE IN NET POSITION</b>					
					3,533,224
					<u>122,522,269</u>
<b>NET POSITION - END OF YEAR</b>					
					<u>\$ 126,055,493</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 20,887,627	\$ 7,439,679	\$ 152,439	\$ 5,177,638	\$ 3,755,397	\$ 6,284,407	\$ 43,697,187
Investments	-	-	540,676	-	-	-	540,676
Receivables, Net	4,550,605	2,124,749	467,546	1,256,307	-	1,941,235	10,340,442
Due from Other Funds	762,293	-	-	-	-	-	762,293
Inventories	-	-	-	-	-	48,997	48,997
Prepaid Items	69,409	-	2,200	336	-	5,986	77,931
	<u>\$ 26,269,934</u>	<u>\$ 9,564,428</u>	<u>\$ 1,162,861</u>	<u>\$ 6,434,281</u>	<u>\$ 3,755,397</u>	<u>\$ 8,280,625</u>	<u>\$ 55,467,526</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 2,091,965	\$ 119,420	\$ 12,173	\$ 967,655	\$ -	\$ 962,648	\$ 4,153,861
Due to Other Funds	-	-	463,034	-	-	299,259	762,293
Due to Other Governments	-	-	-	-	-	33,995	33,995
Unearned Revenue	109,836	-	-	-	3,755,397	600,142	4,465,375
Total Liabilities	<u>2,201,801</u>	<u>119,420</u>	<u>475,207</u>	<u>967,655</u>	<u>3,755,397</u>	<u>1,896,044</u>	<u>9,415,524</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Property Taxes	962,915	-	-	-	-	-	962,915
Unavailable Revenue - Property Tax Interest	449,494	-	-	-	-	-	449,494
Unavailable Revenue - Sewer Assessments	-	-	-	-	-	766,874	766,874
Unavailable Revenue - Other Districts	-	2,059,667	-	-	-	-	2,059,667
Unavailable Revenue - Grants	-	-	-	1,189,432	-	-	1,189,432
Unavailable Revenue - Other	-	65,086	8,050	-	-	-	73,136
Unavailable Revenue - Small Cities Loans	-	-	-	-	-	21,739	21,739
Deferred Inflows Related to Leases	2,614,414	-	-	-	-	251,957	2,866,371
Total Deferred Inflows of Resources	<u>4,026,823</u>	<u>2,124,753</u>	<u>8,050</u>	<u>1,189,432</u>	<u>-</u>	<u>1,040,570</u>	<u>8,389,628</u>
<b>FUND BALANCES</b>							
Nonspendable	69,409	-	2,200	336	-	54,983	126,928
Restricted	-	-	59,032	-	-	1,198,657	1,257,689
Committed	651,308	7,320,255	618,372	4,276,858	-	4,090,792	16,957,585
Assigned	280,215	-	-	-	-	-	280,215
Unassigned	19,040,378	-	-	-	-	(421)	19,039,957
Total Fund Balances	<u>20,041,310</u>	<u>7,320,255</u>	<u>679,604</u>	<u>4,277,194</u>	<u>-</u>	<u>5,344,011</u>	<u>37,662,374</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,269,934</u>	<u>\$ 9,564,428</u>	<u>\$ 1,162,861</u>	<u>\$ 6,434,281</u>	<u>\$ 3,755,397</u>	<u>\$ 8,280,625</u>	<u>\$ 55,467,526</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Total Fund Balances - Governmental Funds (Exhibit III)	\$ 37,662,374
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets	280,756,079
Less: Accumulated Depreciation	<u>(126,220,275)</u>
Net Capital Assets	154,535,804

Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds:

Loans Receivable from Small Cities	21,739
Loans Receivable from Other Districts	2,041,372
Receivable from Grants	1,189,432
Receivable from Other	73,136
Property Tax Receivables Greater than 60 Days	1,412,409
Sewer Assessments Receivable	766,874
Interest Receivable on Sewer Use Receivable	18,295
Deferred Outflows Related to Pension	10,669,142
Deferred Outflows Related to OPEB	2,992,690

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.	4,579,624
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Long-term liabilities, including deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds Payable	(41,460,000)
Loans Payable	(19,568)
Unamortized Bond Premium	(3,764,994)
Deferred Charge on Refunding	436,645
Notes Payable	-
Interest Payable on Bonds	(419,638)
Compensated Absences	(1,043,300)
Net Pension Liability	(33,603,836)
Net OPEB Liability	(3,924,099)
Deferred Inflows Related to Pension	(608,804)
Deferred Inflows Related to OPEB	(5,469,804)
Landfill Liability	<u>(30,000)</u>

Net Position of Governmental Activities (Exhibit I)	<u><u>\$ 126,055,493</u></u>
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**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Fund
<b>REVENUES</b>							
Property Taxes	\$ 97,389,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,389,009
Intergovernmental	17,946,580	400,470	484,384	3,469,305	21,837	9,513,632	31,836,208
Investment Income (Loss)	117,817	11,631	(93,692)	-	-	3,971	39,727
Charges for Goods and Services	1,514,787	-	-	7,624	-	5,548,962	7,071,373
Licenses and Permits	980,469	-	-	-	-	-	980,469
Rental of Town-Owned Property	162,217	-	-	-	-	6,515	168,732
Local Revenues	66,086	-	-	-	-	-	66,086
Assessments	-	3,129,922	-	-	-	152,261	3,282,183
Other	9,743	699,788	264,812	657,896	-	423,243	2,055,482
Total Revenues	<u>118,186,708</u>	<u>4,241,811</u>	<u>655,504</u>	<u>4,134,825</u>	<u>21,837</u>	<u>15,648,584</u>	<u>142,889,269</u>
<b>EXPENDITURES</b>							
Current:							
General Government	2,792,929	-	-	-	21,837	203,562	3,018,328
Planning and Development	633,434	-	-	-	-	-	633,434
Public Safety	6,007,733	-	-	-	-	279,679	6,287,412
Facility Management	4,225,374	2,234,739	-	-	-	114,355	6,574,468
Culture and Recreation	2,931,413	-	-	-	-	2,055,512	4,986,925
Health and Welfare	799,046	-	-	-	-	132,855	931,901
Education	90,259,219	-	780,847	-	-	11,336,829	102,376,895
Capital Outlay	-	-	-	15,292,249	-	2,431,778	17,724,027
Debt Service:							
Principal Payments	5,065,000	945,000	-	-	-	8,274	6,018,274
Interest and Other	1,484,356	273,625	-	345	-	248	1,758,574
Total Expenditures	<u>114,198,504</u>	<u>3,453,364</u>	<u>780,847</u>	<u>15,292,594</u>	<u>21,837</u>	<u>16,563,092</u>	<u>150,310,238</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	3,988,204	788,447	(125,343)	(11,157,769)	-	(914,508)	(7,420,969)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	696,939	15,574	-	3,901,771	-	2,333,598	6,947,882
Transfers Out	<u>(2,624,613)</u>	<u>(809,483)</u>	<u>-</u>	<u>(943,293)</u>	<u>-</u>	<u>(2,570,493)</u>	<u>(6,947,882)</u>
Total Other Financing Sources (Uses)	<u>(1,927,674)</u>	<u>(793,909)</u>	<u>-</u>	<u>2,958,478</u>	<u>-</u>	<u>(236,895)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,060,530	(5,462)	(125,343)	(8,199,291)	-	(1,151,403)	(7,420,969)
Fund Balances - Beginning of Year	<u>17,980,780</u>	<u>7,325,717</u>	<u>804,947</u>	<u>12,476,485</u>	<u>-</u>	<u>6,495,414</u>	<u>45,083,343</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 20,041,310</u>	<u>\$ 7,320,255</u>	<u>\$ 679,604</u>	<u>\$ 4,277,194</u>	<u>\$ -</u>	<u>\$ 5,344,011</u>	<u>\$ 37,662,374</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ (7,420,969)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	12,653,414
Depreciation Expense	(6,041,073)
Loss on disposal of capital assets	(59,931)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property Taxes Collected After 60 Days	215,735
Sewer Assessment Revenue	(152,262)
Loans Receivable from Other Districts	(365,131)
Receivable from Grants	1,189,432
Receivable from Other	73,136
Sewer Use Interest Receivable	597

Deferred Outflows Related to Pension	4,361,605
Deferred Outflows Related to OPEB	1,414,263

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Premium Amortization	1,054,051
Accrued Interest	22,356
Principal Payments on Bonds	6,010,000
Principal Payments on Notes	8,274
Pension Liability	(15,636,085)
OPEB Liability	1,069,998

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Deferred Charge on Refunding	(91,166)
Deferred Inflows Related to Pension	7,711,833
Deferred Inflows Related to OPEB	(2,338,524)
Change in Long-Term Compensated Absences	353,575
Other - Landfill	5,000

The net profit (loss) of the internal service funds is reported with governmental activities. (504,904)

Change in Net Position of Governmental Activities (Exhibit II) \$ 3,533,224

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2022**

	<u>Governmental Activities Health &amp; Dental Insurance Fund</u>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 4,895,517
Accounts receivable, net	287,802
Prepaid Items	<u>486,000</u>
Total Current Assets	<u>5,669,319</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable and Accrued Items	49,595
Noncurrent Liabilities:	
Claims Incurred but Not Reported	<u>1,040,100</u>
Total Liabilities	<u>1,089,695</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 4,579,624</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2022**

	Governmental Activities
	Health & Dental Insurance Fund
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 15,466,078
Other Operating Revenue	1,353,439
Miscellaneous	470
Total Operating Revenues	16,819,987
<b>OPERATING EXPENSES</b>	
Claims Incurred	15,963,173
Administration and Stop Loss Insurance Fees	1,361,718
Total Operating Expenses	17,324,891
<b>CHANGE IN NET POSITION</b>	(504,904)
Net Position - Beginning of Year	5,084,528
<b>NET POSITION - END OF YEAR</b>	\$ 4,579,624

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Governmental Activities Health &amp; Dental Insurance Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Users	\$ 16,460,185
Cash Paid for Claims	<u>(17,197,632)</u>
Net Cash Provided by Operating Activities	<u>(737,447)</u>
Cash and Cash Equivalents - Beginning of Year	<u>5,632,964</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 4,895,517</u></u>
 <b>RECONCILIATION OF OPERATING (INCOME) LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	\$ (504,904)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Change in Assets and Liabilities:	
Decrease in accounts receivable	(287,802)
(Increase) Decrease in Prepaid Items	(72,000)
Increase (Decrease) in Accounts Payable	45,059
Increase (Decrease) in Claims Payable	<u>82,200</u>
Total Adjustments	<u>(232,543)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (737,447)</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2022**

	<u>Pension and Other Employee Benefit Trust Funds</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,322,401
Investments, at Fair Value:	
Mutual Funds	85,927,742
Private Equity Funds	4,978,691
Accounts Receivable	<u>84,096</u>
Total Assets	<u>92,312,930</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>21,048</u>
<b>NET POSITION</b>	
Restricted for Pension Benefits	72,375,402
Restricted for OPEB Benefits	<u>19,916,480</u>
Total Net Position	<u><u>\$ 92,291,882</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2022**

	<u>Pension and Other Employee Benefit Trust Funds</u>
<b>ADDITIONS:</b>	
Contributions:	
Employer	\$ 4,589,541
Plan Members	<u>981,736</u>
Total Contributions	<u>5,571,277</u>
Investment Income (Loss):	
Net Change in Fair Value of Investments	(15,133,385)
Interest	<u>2,550,456</u>
Total Investment Income (Loss)	<u>(12,582,929)</u>
Less Investment Expenses:	
Investment Management Fees	<u>(68,593)</u>
Net Investment Income (Loss)	<u>(12,651,522)</u>
Total Additions	(7,080,245)
<b>DEDUCTIONS:</b>	
Benefits	6,147,114
Administrative Expense	<u>153,563</u>
Total Deductions	<u>6,300,677</u>
<b>CHANGE IN NET POSITION</b>	(13,380,922)
Net Position - Beginning of Year	<u>105,672,804</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 92,291,882</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Simsbury, Connecticut (the Town) operates under a charter as revised November 8, 2016, effective December 4, 2017. The Town is governed by an elected Board of Selectmen consisting of a first selectman and five other members, an elected eight-member Board of Education, and an elected six-member Board of Finance.

The Board of Selectmen appoints a Town Manager who shall be the chief executive and the administrative official of the Town and shall serve at the pleasure of the Board of Selectmen. The Town Manager is appointed on the basis of executive and administrative qualifications, character, education, training, and experience. The Town Manager devotes full working time to the duties of the office.

The Town Manager is responsible to the Board of Selectmen for carrying out all acts and policies of the Board of Selectmen, and all resolutions and ordinances adopted by the Town. The Town Manager is responsible for the administration of the Town consistent with the policies established by the Board of Selectmen and for carrying out such other duties and responsibilities as set forth in the Charter.

The financial statements include all of the funds of the Town that meet the criteria issued by the Governmental Accounting Standards Board (GASB).

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

**Fiduciary Component Units**

The Town has established three single-employer Public Retirement Systems (PERS) plans and one postretirement health care benefits (OPEB) plan to provide retirement benefits and postretirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation**

The accompanying financial statements have been prepared in conformity with GAAP as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated as part of the program expense reported for individual functions and activities and are not eliminated in the process of consolidation. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Sewer Use Fund

The Sewer Use Fund is the sewer treatment plant primary operating fund. It accounts for all financial resources associated with the operations of the sewer treatment plant. The major sources of revenue for this fund are sewer assessments and use charges.

Board of Education Program Fund

The Board of Education Program Fund accounts for Board of Education programs including district activity for the Kathleen Magowan Revocable Trust, the Farmington Valley Transitional Academy, and other scholarship donations, gifts, and distributions of trust income.

Capital Project Fund

The Capital Project Fund accounts for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment. Capital projects of greater than one year's duration have been accounted for in the Capital Project Fund. Most of the capital outlays are financed by the issuance of general obligation bonds. Other sources include capital grants, current tax revenues and low-interest state loans.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

ARPA Fund

The ARPA Fund accounts for financial resources received as a result of the American Rescue Plan Act (ARPA).

Additionally, the Town reports the following fund types:

Internal Service Fund

The Internal Service Fund is used to account for the Town's self-insurance program for accident and health insurance coverage of Town and Board of Education employees.

Pension and Other Employee Benefit Trust Funds

The Pension and Other Employee Benefit Trust Funds are used to account for the activities of the Town's defined benefit plans and the Town and Board of Education for other postemployment benefits (e.g., health insurance, life insurance) which accumulate resources for pension benefit and other postemployment benefit payments to qualified employees.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary funds are charges to the Town and its employees for medical insurance premiums. Operating expenses for the fund include the cost of claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**C. Cash Equivalents**

For purposes of reporting cash flows, all savings, checking, money market accounts and certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Investments**

Investments are stated at fair value.

**E. Supplies and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**F. Receivables and Payables**

Due from/to Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Loans Receivable

Loans receivable in the Planning and Development Program Fund are related to small cities loans. Loans receivable in the governmental activities are due from participating municipalities for their portion of the waste water treatment plant renovation and expansion capital project. Loans receivable are recorded and revenues recognized as earned.

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure, and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Capital Assets (Continued)**

Property, plant, and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

Infrastructure:	
Roads	30 to 50 Years
Sewer Lines and Water Lines	50 Years
Bridge/Large Culverts	30 to 50 Years
Dams	50 Years
Land and Buildings:	
Land	-
Buildings	50 to 75 Years
Construction in Progress	-
Vehicles and Equipment:	
Fire Equipment	20 to 25 Years
Ambulances	5 Years
Construction Equipment	5 Years
Machinery and Equipment	3 to 10 Years
Vehicles	3 to 15 Years

**H. Leases**

Lessor

The Town is a lessor for noncancellable leases of land. The Town recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities in the government-wide and in the governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Leases (Continued)**

Lessor (Continued)

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**I. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources related to pension and OPEB result from differences between expected and actual experience or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pension and OPEB in the government-wide statement of net position. The Town also reports advance property tax collections, advance sewer use collections and leases, in the government-wide statement of net position and in the governmental funds balance sheet. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs or the net difference between projected and actual earnings on pension and OPEB plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period. Advance property tax collections and advance sewer use collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Deferred Outflows/Inflows of Resources (Continued)**

Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, property tax interest, sewer assessment and loans receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**J. Net Pension Liability**

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**K. Net Other Postemployment (OPEB) Liability**

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**L. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Compensated Absences and Termination Benefits**

Employees are paid by prescribed formula for absence due to vacation or sickness. All vacation and sick pay are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**N. Equity**

Equity in the government-wide financial statements is defined as “net position” and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no assets under restriction.

Unrestricted Net Position

This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Equity (Continued)**

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Simsbury Board of Finance). The Board of Finance is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or reverse the limitation.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the finance director or the Board of Finance which have been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**O. Property Taxes**

The Town's property tax is levied each June on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Although taxes are levied in June, the legal right to attach property does not exist until July 1. Real and personal property tax bills in excess of \$100 are due and payable in two installments, on July 1 following the date of the Grand List and on January 1 of the subsequent year. Motor vehicle taxes are payable in one installment on July 1.

Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1.

Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Property Taxes (Continued)**

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected in deferred revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent year's assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

**P. Accounting Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Q. Adoption of new Accounting Standards**

GASB Statement No. 87, Leases

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Town adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the Town reporting lease receivable and deferred inflow of resources disclosed in Note 3.D.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Budgets for the General Fund, Sewer Use Fund, Residential Rental Properties Fund and Simsbury Farms Fund are authorized annually by the Board of Finance. Annual budgets are not adopted for Special Revenue Funds other than the Sewer Use Fund, Residential Rental Properties Fund and Simsbury Farms Fund.

The annual budget making process is outlined in Chapter IV of the Simsbury Town Charter, "The Board of Selectmen" and in Chapter VIII, "Finance and Taxation," according to the following schedule:

- By January 31, the head of each department, office, or agency of the Town except the Board of Education files with the Director of Finance a detailed estimate of the expenditures to be made by such department, office, or agency and the revenues, other than tax revenue, to be collected thereby in the ensuing fiscal year.
- By March 1, the Director of Finance compiles department estimates for the annual budget and under the direction of the First Selectman presents to the Board of Selectmen the completed budget of all boards, offices, and agencies, except the Board of Selectmen.
- By March 15, the Board of Education presents its budget to the Director of Finance, the Board of Finance, and the Board of Selectmen.
- By March 31, the Board of Selectmen presents to the Board of Finance a budget for all departments, offices, and agencies of the Town, except the Board of Education, consisting of: (a) a budget message; (b) estimates of revenue; and (c) itemized estimates of expenditures. As part of the budget the First Selectman presents a program approved by the Board of Selectmen of proposed capital projects for the ensuing fiscal year and the five fiscal years thereafter.

The Board of Finance holds one or more public hearings the first of which must be held not later than the tenth day of April at which time any Elector or taxpayer has an opportunity to be heard. The Board of Finance, by resolution adopted by an affirmative vote of at least four members after holding the final public hearing, and no more than 10 days after the final public hearing, approve a budget and file the same with the Town Clerk for submission to the Automatic Referendum for its adoption. Should the Board of Finance fail to approve a budget no more than 10 days after such final public hearing, the budget as transmitted by the Board of Selectmen and by the Board of Education is deemed to have been finally approved by the Board of Finance.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

The annual budget becomes effective only after it has been approved by resolution of the Board of Finance and adopted at an automatic referendum held following the final public hearing by a majority vote at such referendum. The Board of Finance, within five days following the adoption of the budget by referendum, fixes the tax rate in mills which is levied on all taxable property in the Town for the ensuing fiscal year. Should the budget not be approved at referendum, the Board of Finance, in cooperation with the First Selectman, revises the budget for presentation at a subsequent public hearing and referendum. If the Budget remains unaccepted at the second referendum, the adopted budget for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.

Upon request of the Board of Selectmen, during the last six months of the fiscal year, the Board of Finance may, by resolution, transfer any unencumbered appropriation, balance, or portion thereof from one department, commission, board, or office to another, except for the Board of Education. No transfer shall be made from any appropriation for debt service and other statutory charges.

For management purposes, the Board of Finance is authorized to transfer the legally budgeted amounts between department accounts. In this function, departmental budget accounts serve as the legal level of control for the General Fund. The legal level of budgetary control is at the fund level for the Sewer Use, Residential Rental Properties and Simsbury Farms funds.

All unencumbered appropriations lapse at year-end, except those for capital projects and special revenue funds. Appropriations for these expenditures are continued until completion of applicable projects, which often last more than one fiscal year.

Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen. Summarizations of the amended General Fund budgets approved by the Board of Finance for the "budgetary" general and certain special revenue funds are presented in the required supplementary information. During the year there were \$370,342 of supplemental budgetary appropriations made from General Fund unappropriated and unencumbered surplus.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash, Cash Equivalents, and Investments**

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an “out of state bank” as defined by the Statutes, which is not a “qualified public depository.”

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses, and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

**Deposits**

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the state of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Deposits (Continued)**

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$22,691,669 of the Town's bank balance of \$23,753,338 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 20,347,502
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	<u>2,344,167</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 22,691,669</u></u>

Cash Equivalents

At June 30, 2022, the Town's cash equivalents amounted to \$27,564,375. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. These cash equivalents are investment pools of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

	<u>Standard and Poor's</u>
State Short-Term Investment Fund (STIF)	AAA/m

**Investments**

As of June 30, 2022, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Other Investments:					
Mutual Funds	Unrated	\$ 86,468,418	\$ -	\$ -	\$ -
Private Equity Funds	N/A	<u>4,978,691</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments		<u><u>\$ 91,447,109</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party.

Credit Risk

The Town's investment policy limits its investments to those in conformance with State Statutes governing qualified public depositories.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Investments (Continued)**

Concentration of Credit Risk

Maturities shall be staggered to avoid undue concentration of funds in a specific maturity. At least 10% of the portfolio shall be invested in overnight instruments or in marketable securities, which can be sold to raise cash in one day's notice.

Concentration of Investments

Information regarding concentration of the investments that represent more than 5% of the investments in the Pension Plans are detailed in Note 4.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2022:

	June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	\$ 86,468,418	<u>\$ 86,468,418</u>	<u>\$ -</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV):				
Barings Core Property Fund LP	4,978,691			
Total Investments	<u>\$ 91,447,109</u>			

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Barings Core Property Fund LP is a private equity fund made up of real estate investments, loan investments, mortgage loans payable, lines of credit payable and derivative instruments stated at their estimated fair values. The values are based upon independent appraisals, estimated sales proceeds or opinion of value. The fair values do not reflect transaction sale costs or prepayment costs, which may be incurred upon disposition of the investments or instrument. The estimated fair value of real estate investments, loan investments, mortgage loans payable, lines of credit payable, and derivative instruments are determined through a valuation process. These estimated fair values may vary significantly from the prices at which the investments and financial instruments would sell, since market prices of real estate investments and loans can only be determined by negotiation between a willing buyer and seller.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Investments (Continued)**

Fair Value (Continued)

The following table summarizes all investments recorded using NAV as a practical expedient to fair value.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency Frequency (if Eligible)</u>	<u>Redemption Notice Period</u>
Barings Core Property Fund LP	\$ 4,978,691	\$ -	Quarterly	60 days

Interest Rate Risk

The Town's investment policy limits its investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Except for CNR and Risk Management Funds, funds of the Town shall be invested in instruments whose maturities do not exceed 270 days at the time of purchase, unless a temporary extension of maturities is approved by the Board of Finance.

The Pension Trust Funds are also authorized to invest in corporate bonds, domestic common stocks, and domestic equity real estate. The investments of this fund are held in Trust by a Trustee Bank, which executes investment transactions under the direction of the Pension Plans' investment manager.

**B. Receivables**

Receivables at year-end for the government's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Sewer Use Fund	BOE Programs Fund	Capital Projects Fund	ARPA Fund	Nonmajor and Other Funds	Total
Receivables:							
Accounts	\$ 330,726	\$ 30,636	\$ 815	\$ 12,113	\$ -	\$ 558,057	\$ 932,347
Property Taxes	1,174,900	-	-	-	-	-	1,174,900
Interest Receivable	449,494	18,295	-	-	-	-	467,789
Loans Receivable	-	2,041,372	-	-	-	21,739	2,063,111
Special Assessments	-	34,446	-	-	-	766,874	801,320
Lease Receivable	2,633,934	-	-	-	-	258,472	2,892,406
Due from Other Governments	41,551	-	466,731	1,244,194	-	707,991	2,460,467
Gross Receivables	4,630,605	2,124,749	467,546	1,256,307	-	2,313,133	10,792,340
Less: Allowance for Uncollectibles	80,000	-	-	-	-	-	80,000
Total Net Receivables	<u>\$ 4,550,605</u>	<u>\$ 2,124,749</u>	<u>\$ 467,546</u>	<u>\$ 1,256,307</u>	<u>\$ -</u>	<u>\$ 2,313,133</u>	<u>\$ 10,712,340</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 10,175,191	\$ 5,447,502	\$ -	\$ 15,622,693
Development Rights	11,725,000	-	-	11,725,000
Construction in Progress	<u>25,352,213</u>	<u>5,506,284</u>	<u>23,757,002</u>	<u>7,101,495</u>
Total Capital Assets Not Being Depreciated	47,252,404	10,953,786	23,757,002	34,449,188
Capital Assets Being Depreciated:				
Buildings and Improvements	148,089,815	21,364,472	-	169,454,287
Land Improvements	9,175,872	-	-	9,175,872
Equipment	23,543,070	3,440,656	685,578	26,298,148
Infrastructure	<u>40,727,082</u>	<u>651,502</u>	<u>-</u>	<u>41,378,584</u>
Total Capital Assets Being Depreciated	221,535,839	25,456,630	685,578	246,306,891
Less Accumulated Depreciation for:				
Buildings and Improvements	67,027,847	3,631,885	-	70,659,732
Land Improvements	6,722,100	233,836	-	6,955,936
Equipment	17,413,463	1,296,161	625,647	18,083,977
Infrastructure	<u>29,641,439</u>	<u>879,191</u>	<u>-</u>	<u>30,520,630</u>
Total Accumulated Depreciation	120,804,849	6,041,073	625,647	126,220,275
Total Capital Assets Being Depreciated, Net	<u>100,730,990</u>	<u>19,415,557</u>	<u>59,931</u>	<u>120,086,616</u>
Governmental Activities Capital Assets, Net	<u>\$ 147,983,394</u>	<u>\$ 30,369,343</u>	<u>\$ 23,816,933</u>	<u>\$ 154,535,804</u>

Depreciation expense was charged to functions/programs of the government as follows:

Governmental Activities:	
General Government	\$ 134,553
Education	2,852,618
Public Safety	169,307
Facility Management	2,300,789
Culture and Recreation	542,356
Health and Welfare	<u>41,450</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 6,041,073</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

Construction Commitments

The government has active construction projects as of June 30, 2022. The following is a summary of capital projects as of June 30, 2022:

<u>Project</u>	<u>Total Contract</u>	<u>Spent to Date</u>
Town Projects:		
Woodland/Hopmeadow Sewer Upgrades	\$ 1,616,500	\$ 1,326,324
Bridge Improvements	805,000	327,253
Accounting System	385,000	298,287
Meadows Parking Improvements	874,000	757,082
Education Projects:		
HJMS Phase 1A	1,255,000	1,168,450
Squadron Line Main Office Project	1,050,000	868,830
HJMS Renovation - Phase 2	1,950,000	1,717,409
Boiler Replacement Latimer	900,000	265,553
HJMS Renovation - Phase 3	23,965,620	19,999,054
SHS Partial Roof Replacement	2,600,000	2,115,246
Total	<u>\$ 35,401,120</u>	<u>\$ 28,843,488</u>

The commitments are being financed with general obligation bonds, state and federal grants, and general fund transfers.

**D. Lease Receivables**

The Town, acting as lessor, leases land and buildings under various long-term, noncancelable lease agreements through 2059. Total principal and interest payments for the year ended June 30, 2022, were \$106,419 and \$35,416, respectively.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30.</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 104,164	\$ 35,786
2024	108,419	34,446
2025	113,020	33,050
2026	101,041	31,659
2027	85,250	30,550
2028 and Thereafter	2,380,512	505,987
Total	<u>\$ 2,892,406</u>	<u>\$ 671,478</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2022, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	BOE Programs Fund	\$ 463,034
General Fund	Cafeteria	299,259
	Total	<u>\$ 762,293</u>

The BOE programs fund and nonmajor special revenue funds owe the General Fund \$762,293 as of June 30, 2022. These receivable in the General Fund are caused by a timing difference between payments made by the General Fund on behalf of the funds and the reimbursement to the General Fund.

Interfund balances are a result of temporary loans to various funds.

Interfund transfers:

	<u>General Fund</u>	<u>Sewer Use Fund</u>	<u>Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
Transfer Out:					
General Fund	\$ -	\$ -	\$ 1,313,734	\$ 1,310,879	\$ 2,624,613
Sewer Use Fund	114,483	-	600,000	95,000	809,483
Capital Project Fund	-	15,574	-	927,719	943,293
Nonmajor Governmental Funds	582,456	-	1,988,037	-	2,570,493
Total Transfers In	<u>\$ 696,939</u>	<u>\$ 15,574</u>	<u>\$ 3,901,771</u>	<u>\$ 2,333,598</u>	<u>\$ 6,947,882</u>

Some interfund transfers arose from budgeted appropriations in the General Fund to fund capital projects. The Town also re-appropriated other capital and capital and capital non-recurring projects between various funds to fund other projects.

**F. Long-Term Debt**

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 47,470,000	\$ -	\$ 6,010,000	\$ 41,460,000	\$ 6,050,000
Premium on Bonds Issued	4,819,045	-	1,054,051	3,764,994	-
Total Bonds and Loans Payable	<u>52,289,045</u>	<u>-</u>	<u>7,064,051</u>	<u>45,224,994</u>	<u>6,050,000</u>
Loan Payable - State of Connecticut	27,842	-	8,274	19,568	8,358
Pension Liability	17,967,751	15,636,085	-	33,603,836	-
OPEB Liability	4,994,097	-	1,069,998	3,924,099	-
Compensated Absences	1,396,875	588,063	941,638	1,043,300	838,565
Landfill Closure	35,000	-	5,000	30,000	5,000
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 76,710,610</u>	<u>\$ 16,224,148</u>	<u>\$ 9,088,961</u>	<u>\$ 83,845,797</u>	<u>\$ 6,901,923</u>

Compensated absences, net pension liability and net OPEB liability are generally liquidated by the General Fund.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. General obligation bonds currently outstanding are as follows:

	Date of Issue	Original Issue	Interest Rate	Maturity Date	Annual Principal	Principal Outstanding June 30, 2022
Bonds Payable:						
General Bonds	4/8/2008	\$ 4,000,000	3.25 - 4.00%	1/15/2018	\$ 400,000	\$ -
General Bonds	3/16/2011	5,000,000	1.50 - 3.00	1/15/2021	500,000	-
General Bonds	8/4/2011	5,000,000	2.00	1/15/2018	205,000 - 1,630,000	-
General Bonds	3/19/2013	5,555,000	1.50	3/1/2023	550,000 - 560,000	550,000
General Bonds	6/30/2015	9,060,000	2.00 - 4.00	7/15/2025	635,000 - 1,595,000	1,905,000
General Bonds	6/29/2017	10,940,000	2.00 - 5.00	6/15/2027	1,215,000 - 1,220,000	6,080,000
General Bonds	6/27/2019	8,365,000	4.00 - 5.00	6/15/2029	775,000 - 850,000	5,950,000
General Bonds	1/30/2020	9,110,000	2.00 - 5.00	2/1/2035	605,000 - 610,000	7,890,000
Refunding Bonds	2/17/2021	6,525,000	5.00	8/1/2027	260,000 - 1,175,000	5,580,000
General Bonds	3/10/2021	14,735,000	1.50 - 4.00	3/1/2036	1,225,000 - 1,230,000	13,505,000
Total Bonds Payable						<u>\$ 41,460,000</u>

The Town's Waste Water Treatment Plant renovation and expansion capital project was funded by the State of Connecticut Clean Water Fund 2% Loan and Grant program. The 2021 general obligation refunding bonds were issued to refund these loans.

The Town has a corresponding receivable from participating municipalities for their portion of the Waste Water Treatment Plant renovation and expansion capital project. The total loan receivable at June 30, 2022 was \$2,041,969. Current year principal payments received by the Town totaled \$365,131.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,050,000	\$ 1,536,525	\$ 7,586,525
2024	5,550,000	1,270,675	6,820,675
2025	5,595,000	1,010,575	6,605,575
2026	5,020,000	785,050	5,805,050
2027	5,075,000	581,400	5,656,400
2028-2032	10,380,000	1,134,175	11,514,175
2033-2036	3,790,000	171,200	3,961,200
Total	<u>\$ 41,460,000</u>	<u>\$ 6,489,600</u>	<u>\$ 47,949,600</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

Project Loan

The project loan obligation was issued by the State of Connecticut Department of Housing. The loan proceeds financed the Eno Farmhouse Renovation Project. The original loan balance was \$220,638 on June 10, 1994, with an interest rate of 1%. The obligation will be paid from future taxation.

Project loan obligations payable to the state of Connecticut mature as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 8,358	\$ 164	\$ 8,522
2024	8,441	81	8,522
2025	2,769	9	2,778
Total	<u>\$ 19,568</u>	<u>\$ 254</u>	<u>\$ 19,822</u>

Authorized But Unissued Bonds

The total of authorized but unissued bonds (net of projected grants) at June 30, 2022 is \$52,050,851.

Debt Limitation

The Town's indebtedness does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General Purpose	\$ 206,919,439	\$ 17,786,695	\$ 189,132,744
Schools	413,838,878	33,639,275	380,199,603
Sewers	344,865,731	6,525,000	338,340,731
Urban Renewal	298,883,634	-	298,883,634

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$656,657,960.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Fund Balance**

The components of fund balance for the governmental funds at June 30, 2022 are as follows:

	Major Special Revenue Funds					Nonmajor Governmental Funds	Total
	General Fund	Sewer Use Fund	BOE Programs Fund	ARPA Fund	Capital Projects Fund		
<b>Fund Balances:</b>							
<b>Nonspendable:</b>							
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,997	\$ 48,997
Prepaid Expenditures	69,409	-	2,200	-	336	5,986	77,931
<b>Restricted for:</b>							
Grants	-	-	-	-	-	346,846	346,846
Education Trusts	-	-	59,032	-	-	-	59,032
Facilities Management Trusts	-	-	-	-	-	186,524	186,524
Health and Welfare Trusts	-	-	-	-	-	82,154	82,154
Student Activity	-	-	-	-	-	326,605	326,605
Flex Spending	-	-	-	-	-	26,645	26,645
Continuing Education	-	-	-	-	-	181,303	181,303
Enrichment and Extended Day	-	-	-	-	-	48,580	48,580
<b>Committed to:</b>							
Sewer Use	-	7,320,255	-	-	-	-	7,320,255
Sewer Assessment	-	-	-	-	-	212,300	212,300
Education	651,308	-	618,372	-	-	65,154	1,334,834
General Government	-	-	-	-	-	142,417	142,417
Public Safety	-	-	-	-	-	142,529	142,529
Culture and Recreation	-	-	-	-	-	778,576	778,576
Facility Management	-	-	-	-	-	444,131	444,131
Planning and Development	-	-	-	-	-	310,044	310,044
Health and Welfare	-	-	-	-	-	255,807	255,807
Capital Projects	-	-	-	-	4,276,858	1,739,834	6,016,692
<b>Assigned to:</b>							
Education	7,083	-	-	-	-	-	7,083
Culture and Recreation	7,222	-	-	-	-	-	7,222
Public Safety	31,694	-	-	-	-	-	31,694
General Government	23,492	-	-	-	-	-	23,492
Facilities Management	205,839	-	-	-	-	-	205,839
Health and Welfare	4,885	-	-	-	-	-	4,885
Unassigned	19,040,378	-	-	-	-	(421)	19,039,957
<b>Total Fund Balances</b>	<b>\$ 20,041,310</b>	<b>\$ 7,320,255</b>	<b>\$ 679,604</b>	<b>\$ -</b>	<b>\$ 4,277,194</b>	<b>\$ 5,344,011</b>	<b>\$ 37,662,374</b>

Encumbrances at June 30, 2022 of \$280,215 are contained in the above table in the assigned category of the general fund. Encumbrances of \$71,152 for the sewer use fund, \$3,034,979 for the capital project fund and \$349,601 for the capital nonrecurring fund are included in the committed category.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN**

**A. Pension Trust Fund**

The Town maintains three single-employer defined benefit pension plans for full-time employees: General Government Plan, Police Plan, and Board of Education Plan. The plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. The plans do not issue stand-alone financial reports.

Oversight of the Town's retirement plans rests with the Retirement Plan Sub-Committee, which is comprised of two members of the Board of Selectmen, two members of the Board of Education, two members of the Board of Finance, and two members at large. The Subcommittee is staffed by the Town Treasurer, the Board of Education's Business Manager, and the Town Manager. The Town and the Board of Education have appointed a third party to serve as fiduciary investment advisor. Effective 2013, the Town of Simsbury's Charter was amended to place fiduciary responsibility for the investment of pension funds to the Board of Finance.

**Plan Description and Benefits Provided**

General Government Pension Plan

All full-time employees, except police and Board of Education employees, are eligible to participate in the General Government Pension Plan. Effective January 3, 2017, any Police Dispatcher Employee who is first hired on or after January 3, 2017, is not eligible to participate in the Plan. The Plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for normal retirement for plan participants are based on the average monthly compensation during the highest five consecutive years of service out of the last 10 years of the participants' active employment. The plan permits early retirement for participants at age 55 with five years of credited service. Benefits for early retirement are based on credited service and final average earnings to date of actual retirement reduced by 1/3 of 1% for each month by which the participant's retirement date precedes his normal retirement date. The participants' annual benefit is 2% of final average earnings times credited service for union employees, and 2½% of final average earnings times credited service for unaffiliated employees. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Plan Description and Benefits Provided (Continued)**

Police Pension Plan

All regular full-time employees of the Simsbury Police Department are eligible to participate in the Police Retirement Fund. The Plan provides retirement benefits as well as death benefits under two separate divisions. Division 000 participants are defined as those individuals who entered the plan on or after January 18, 1990, whereas Division 001 participants entered the plan prior to January 18, 1990. Pension benefits for normal retirement under the plan are based on average monthly compensation during the highest five consecutive years out of the last 10 years. The participants' annual benefit is 2½% of final average earnings times credited service for Division 000, and 2% of final average earnings times credited service for Division 001. The Plan permits early retirement for participants at the earlier of five years early with 10 years of service or 20 years of credited service for Division 000, and at five years early with 10 years of credited service for Division 001. Benefits are based on credited service and final average earnings to date of actual retirement actuarially reduced for each month by which the participant's retirement date precedes his normal retirement date. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

Board of Education Pension Plan

All regular full-time employees of the Board of Education, other than individuals covered by the State Teachers Retirement System or those who participate in the defined contribution plan, are eligible to participate in the Plan. The Plan provides retirement benefits as well as disability benefits. Pension benefits for normal retirement under the Plan are based on the average earnings received in the last three July 1's before retirement for the National Association of Government Employees (NAGE); the average earnings received the last three completed years of employment for the Simsbury Federation of Educational Personnel (SFEP), and the highest average earnings received in any three consecutive July 1's during the last ten years before retirement for unaffiliated employees and the Simsbury School Nurses Association (SSNA). The participants' annual benefit shall be equal to 1½% of final average earnings times credited service through July 1, 1996, plus 2% of final average earnings times credited service after July 1, 1996. The plan permits early retirement for participants eligible five years early with ten years of credited service. Benefits are based on credited service and final average earnings to date and actual retirement reduced by 4% for each year by which the participant's retirement date precedes his normal retirement date. There is no reduction for NAGE employees after age 62 and 29 years of service or for unaffiliated employees after age 62 and 25 years of service. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town of Simsbury Board of Education.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Plan Description and Benefits Provided (Continued)**

Board of Education Pension Plan (Continued)

At July 1, 2021, plan membership consisted of the following:

	General Government Plan	Police Plan	Board of Education Plan
Retirees and Beneficiaries Currently Receiving Benefits	108	35	142
Vested Terminated Employees	51	3	82
Active Employees	80	36	112
Total Participants	<u>239</u>	<u>74</u>	<u>336</u>

**Summary of Significant Accounting Policies**

Basis of Accounting

Pension plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

**Contributions**

General Government Plan

This plan provides for union employee contributions of 2% and for unaffiliated 5% of regular earnings for employees, hired prior to August 12, 2013, and 7% for unaffiliated hired after that date. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,390,773, were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 21.08% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Contributions (Continued)**

Police Plan

Plan provisions require employee contributions of 6% of regular earnings for Division 000 and employee contributions of 3% of regular earnings for Division 001. The Town is required by Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$857,435 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 22.36% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

Board of Education Plan

This plan provides for employee contributions of 4% to 4.5% of regular earnings, based on the current individual collective bargaining contract. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,387,251 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 21.70% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Simsbury Board of Education.

Administrative costs of the plan are financed through investment earnings.

**Investments**

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee by a majority vote of its members. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2022:

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Investments (Continued)**

Investment Policy (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Core Fixed Income	32.50 %
U.S. Inflation-Indexed Bonds	1.75
U.S. Large Cap Equity	21.50
U.S. Small Cap Equity	10.00
Non-US Equity	16.00
Emerging Markets Equity	11.50
Private Real Estate	5.00
Commodities	1.75
Total	<u>100.00 %</u>

Concentration of Investments:

The following represents investments in each respective plan that represent more than 5% of the respective plans net position as of June 30, 2022.

	<u>General Government Plan</u>	<u>Police Plan</u>	<u>Board of Education Plan</u>
Barings Core Property Fund LP	\$ 1,906,733	\$ 1,483,014	\$ 1,588,944

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

General Government	(11.65)%
Police	(11.64)
Board of Education	(11.91)

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2022 were as follows:

	<u>General Government</u>	<u>Police</u>	<u>Board of Education</u>	<u>Total</u>
Total Pension Liability	\$ 40,675,086	\$ 25,869,001	\$ 39,435,151	\$ 105,979,238
Plan Fiduciary Net Position	26,298,556	19,576,739	26,500,107	72,375,402
Net Pension Liability	<u>\$ 14,376,530</u>	<u>\$ 6,292,262</u>	<u>\$ 12,935,044</u>	<u>\$ 33,603,836</u>
Plan Fiduciary Net Position as a Percentage of the Total Liability	64.66%	75.68%	67.20%	68.29%

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Net Pension Liability of the Town (Continued)**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>General Government</u>	<u>Police</u>	<u>Board of Education</u>
Inflation	2.75 %	2.75 %	2.75 %
Salary Increases	3.50 %	8.25%, for First 7 Years and 3.00% Thereafter	3.50 %
Investment Rate of Return	6.50%, Net of Pension Plan Investment Expense	6.50%, Net of Pension Plan Investment Expense	6.50%, Net of Pension Plan Investment Expense

Mortality rates were based on the PubG-2010 Mortality Table with generational projection per the MP-2019 Ultimate scale.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2008 – July 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed Income	1.26 %
U.S. Inflation-Indexed Bonds	0.50
U.S. Large Cap Equity	3.65
U.S. Small Cap Equity	3.89
Non-US Equity	4.90
Emerging Markets Equity	4.95
Private Real Estate	3.58

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Net Pension Liability of the Town (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 6.50% (formerly 6.625% for police and board of education). The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability**

General Government

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2021	\$ 38,887,402	\$ 30,361,920	\$ 8,525,482
Changes for the Year:			
Service Cost	770,819	-	770,819
Interest on Total Pension Liability	2,555,101	-	2,555,101
Effect of Economic/Demographic Gains or Losses	167,817	-	167,817
Effect of Assumptions Changes or Inputs	510,795	-	510,795
Benefit Payments	(2,216,848)	(2,216,848)	-
Employer Contributions	-	1,390,773	(1,390,773)
Member Contributions	-	337,794	(337,794)
Net Investment Income	-	(3,535,516)	3,535,516
Administrative Expenses	-	(39,567)	39,567
Net Changes	<u>1,787,684</u>	<u>(4,063,364)</u>	<u>5,851,048</u>
Balances - June 30, 2022	<u>\$ 40,675,086</u>	<u>\$ 26,298,556</u>	<u>\$ 14,376,530</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Changes in the Net Pension Liability (Continued)**

Police

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2021	<u>\$ 24,588,644</u>	<u>\$ 22,259,297</u>	<u>\$ 2,329,347</u>
Changes for the Year:			
Service Cost	708,680	-	708,680
Interest on Total Pension Liability	1,637,478	-	1,637,478
Effect of Economic/Demographic Gains or Losses	(249,802)	-	(249,802)
Effect of Assumptions Changes or Inputs	364,297	-	364,297
Benefit Payments	(1,180,296)	(1,180,296)	-
Employer Contributions	-	857,435	(857,435)
Member Contributions	-	267,908	(267,908)
Net Investment Income	-	(2,604,930)	2,604,930
Administrative Expenses	-	(22,675)	22,675
Net Changes	<u>1,280,357</u>	<u>(2,682,558)</u>	<u>3,962,915</u>
Balances - June 30, 2022	<u><u>\$ 25,869,001</u></u>	<u><u>\$ 19,576,739</u></u>	<u><u>\$ 6,292,262</u></u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Changes in the Net Pension Liability (Continued)**

Board of Education

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2021	<u>\$ 37,497,789</u>	<u>\$ 30,384,867</u>	<u>\$ 7,112,922</u>
Changes for the Year:			
Service cost	709,652	-	709,652
Interest on Total Pension Liability	2,472,708	-	2,472,708
Effect of Economic/Demographic Gains or Losses	65,804	-	65,804
Effect of Assumptions Changes or Inputs	485,086	-	485,086
Benefit Payments	(1,795,888)	(1,795,888)	-
Employer Contributions	-	1,387,251	(1,387,251)
Member Contributions	-	242,443	(242,443)
Net Investment Income	-	(3,678,215)	3,678,215
Administrative Expenses	-	(40,351)	40,351
Net Changes	<u>1,937,362</u>	<u>(3,884,760)</u>	<u>5,822,122</u>
Balances - June 30, 2022	<u>\$ 39,435,151</u>	<u>\$ 26,500,107</u>	<u>\$ 12,935,044</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	One Percent Decrease (5.50%)	Current (6.50%)	One Percent Increase (7.50%)
General Government	<u>\$ 18,896,935</u>	<u>\$ 14,376,530</u>	<u>\$ 10,581,198</u>
Police	9,534,788	6,292,262	3,595,644
Board of Education	17,183,159	12,935,044	9,305,418
Total	<u>\$ 45,614,882</u>	<u>\$ 33,603,836</u>	<u>\$ 23,482,260</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2022, the Town recognized pension expense of \$7,198,106. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources			
	General Government	Board of Education	Police	Totals
Differences Between Expected and Actual Experience	\$ 641,494	\$ 38,098	\$ 97,457	\$ 777,049
Changes of Assumptions	1,830,161	613,897	1,303,822	3,747,880
Net Difference Between Projected and Actual Earning on Pension Plan Investments	2,246,753	2,249,663	1,647,797	6,144,213
Total	<u>\$ 4,718,408</u>	<u>\$ 2,901,658</u>	<u>\$ 3,049,076</u>	<u>\$ 10,669,142</u>
	Deferred Inflows of Resources			
	General Government	Board of Education	Police	Totals
Differences Between Expected and Actual Experience	\$ 29,436	\$ -	\$ 579,368	\$ 608,804
Changes of Assumptions	-	-	-	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	-	-	-
Total	<u>\$ 29,436</u>	<u>\$ -</u>	<u>\$ 579,368</u>	<u>\$ 608,804</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows for each year ending June 30:

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension**

**Plan Description**

Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at [www.ct.gov](http://www.ct.gov).

**Benefit Provisions**

The plan provides retirement, disability, and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the three years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

**Contributions**

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Contributions (Continued)**

Employer (School Districts) (Continued)

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the state was \$10,460,556 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2022, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the Town		124,926,104
Total		\$ 124,926,104

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$8,064,271 in Exhibit II.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00 - 6.50%, Including Inflation
Investment of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

**Cost-of-Living Allowance**

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Long-Term Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the state of Connecticut Treasurer’s Office are summarized in the following table:

<u>Asset Class</u>	<u>Expected Return</u>	<u>Target Allocation</u>
Domestic Equity Fund	5.60 %	20.00 %
Developed Market International Stock Fund	6.00	11.00
Emerging Market International Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate Fund	4.50	10.00
private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		100.00 %

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The Town’s proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**C. Postemployment Health Care Plan – Retiree Health Plan**

**Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Retiree Health Plan (RHP) are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

Investments are reported at fair value. Investment income is recognized as earned.

**Plan Description**

The RHP is a single-employer defined benefit health care plan administered by the Town of Simsbury. The RHP provides medical, dental and life insurance benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

Management of the postemployment benefits plan is vested with the Town Manager and Director of Finance/Treasurer. Policy oversight is provided by the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee, which consists of eight members. The Board of Finance has engaged the services of an investment consultant to assist in the development and periodic review of the Investment Policy Statement for the Other Postemployment Benefits Trust.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Plan Description (Continued)**

At July 1, 2021, plan membership consisted of the following:

	Retiree Health Plan
Retired Members and Beneficiaries	345
Spouses of Retired Members	43
Active Plan Members	713
Total Participants	1,101

Funding Policy

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Employees

Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$139 and \$558 per month for retiree only coverage and between \$697 and \$1,116 per month for retiree and spouse coverage to age 65. Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$176 and \$970 per month for retiree only coverage and between \$352 and \$1,456 per month for retiree and spouse coverage to age 65. Eligible Town employees over age 65 have the option of joining the Town’s fully-insured Anthem Medicare Supplement Plan. Retirees typically contribute 25% of the premium (\$141) per month for individual coverage and 100% of the premium (\$562) for spouse coverage.

Board of Education Employees

Retired Board of Education employees under 65 or not eligible for Medicare, can receive coverage through the same CIGNA plans available to active employees. Retiree monthly contributions for retiree only plans and retiree and spouse plans are between \$733 and \$986 and \$1,466 and \$1,968, respectively. Retired BOE employees over 65 and eligible for Medicare Part A and B may participate in the Board’s fully insured Anthem Medicare Supplement Plan with a monthly contribution of \$498.

For the year ended June 30, 2022, plan members contributed \$133,591 for their share of premium payments. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan of \$954,082 were made in accordance with actuarially determined requirements.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Investments**

Investment Policy

The Investment Policy Statement of the Other Postemployment Benefits Trust outlines the goals and investment objectives for the Trust and is intended to provide guidelines for managing the Trust and to outline specific investment policies that will govern how these goals will be achieved. The Investment Policy Statement is established and may be amended by a majority vote of the members of the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of asset classes. The Investment Policy Statement discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The current recommended asset allocation outlined in the Investment Policy Statement is weighted toward domestic equities and fixed income, with a slightly lower weight placed on international equities and real estate funds. The Investment Policy Statement was last updated in September 2007.

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was (12.46%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability of the Town**

The Town's net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability of the Town at June 30, 2022, were as follows:

Total OPEB Liability	\$ 23,840,579
Plan Fiduciary Net Position	<u>19,916,480</u>
Net OPEB Liability	<u><u>\$ 3,924,099</u></u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	83.54%
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**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	Graded Scale for Certified BOE and Police, 3.50% for All Others
Investment Rate of Return	6.50%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	Pre-Medicare: 5.20% - 4.30% over 60 Years Post-Medicare: 5.00% - 4.30% over 51 Years

Mortality rates were based on the Pub-2010 Mortality Tables with the MP-2021 Ultimate Improvement Scale (previously the RP-2000 Combined Healthy and Disabled Mortality, Male and Female, with generational projection per Scale AA were used).

The plan has not had a formal actuarial experience study performed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed income	22.50 %	1.26 %
U.S. Inflation-Indexed Bonds	22.50	0.50
U.S. Large Caps	22.50	3.65
U.S. Small Caps	2.50	3.89
U.S. Mid Caps	5.00	3.66
Foreign Developed Equity	15.00	4.52
Emerging Markets Equity	5.00	4.95
U.S. REITs	2.50	3.57
Non-U.S. REITS	2.50	4.37

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances - July 1, 2021	<u>\$ 27,660,817</u>	<u>\$ 22,666,720</u>	<u>\$ 4,994,097</u>
Changes for the Year:			
Service Cost	897,711	-	897,711
Interest on Total OPEB Liability	1,896,026	-	1,896,026
Effect of economic/demographic gains	(4,203,001)	-	(4,203,001)
Effect of assumptions changes or inputs	(1,456,892)	-	(1,456,892)
Benefit Payments	(954,082)	(954,082)	-
Employer Contributions	-	954,082	(954,082)
Member Contributions	-	133,591	(133,591)
Net Investment Income	-	(2,832,861)	2,832,861
Administrative Expenses	-	(50,970)	50,970
Balances - June 30, 2022	<u><u>\$ 23,840,579</u></u>	<u><u>\$ 19,916,480</u></u>	<u><u>\$ 3,924,099</u></u>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	One Percent Decrease (5.50%)	Current Discount Rate (6.50%)	One Percent Increase (7.50%)
Net OPEB Liability	<u><u>\$ 6,659,847</u></u>	<u><u>\$ 3,924,099</u></u>	<u><u>\$ 1,585,551</u></u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Changes in the Net OPEB Liability (Continued)**

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower one percentage point higher than the current health care cost trend rates:

	One Percent Decrease (1% Decrease)	Healthcare Cost Trend Rates (Current)	One Percent Increase (1 % Increase)
Net OPEB Liability	<u>\$ 1,219,890</u>	<u>\$ 3,924,099</u>	<u>\$ 7,187,165</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2022, the Town recognized OPEB expense of \$808,345. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences Between Expected and Actual Experience	\$ 4,028,950	\$ 1,310,897
Changes of Assumptions	1,440,854	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	1,681,793
Total	<u>\$ 5,469,804</u>	<u>\$ 2,992,690</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (356,651)
2023	(388,799)
2024	(442,436)
2025	338,823
2026	(557,258)
Thereafter	(1,070,793)
Total	<u>\$ (2,477,114)</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan**

**Plan Description**

Teachers, principals, superintendents, or supervisors engaged in service of public schools plus professional employees at state schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Net Pension Liability of the Town**

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of credited service.

Disability Retirement

No service requirement if incurred in the performance of duty, and five years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Contributions**

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The state contributions are not currently actuarially funded. The state appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan. For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$246,157 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2022, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the Town		13,610,470
Total	<u>\$</u>	<u>13,610,470</u>

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net OPEB liability.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended June 30, 2022, the Town recognized OPEB expense and revenue of (\$502,591) in Exhibit II.

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health Care Costs Trend Rate	5.125% for 2020, Decreasing to an Ultimate Rate of 4.50% by 2023
Salary Increases	3.00 - 6.50%, Including Inflation
Investment Rate of Return	2.17%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position will be Depleted	2023

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 2.21% to 2.17%
- Expected annual per capita claims costs were updated to better reflect anticipated Medicare and prescription drug claim experience based on scheduled premium increases through calendar year 2024.

The changes in the benefit terms since the prior year are as follows:

- There were no changes to benefit terms in the two years preceding the measurement date.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Actuarial Assumptions (Continued)**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020.

In addition to the actuarial methods and assumptions of the June 30, 2020, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2023 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate**

The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

**OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds**

Combining Statement of Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>Assets:</b>					
Cash	\$ 286,393	\$ 165,638	\$ 202,297	\$ 668,073	\$ 1,322,401
Investments	25,985,756	19,390,701	26,260,521	19,269,455	90,906,433
Accounts Receivable	26,407	20,400	37,289	-	84,096
Total Assets	<u>26,298,556</u>	<u>19,576,739</u>	<u>26,500,107</u>	<u>19,937,528</u>	<u>92,312,930</u>
<b>Liabilities:</b>					
Accounts Payable	-	-	-	21,048	21,048
Net Position of Pension and Other Postemployment Benefits	<u>\$ 26,298,556</u>	<u>\$ 19,576,739</u>	<u>\$ 26,500,107</u>	<u>\$ 19,916,480</u>	<u>\$ 92,291,882</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds  
(Continued)**

Combining Statement of Revenues, Expenses, and Changes in Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>ADDITIONS</b>					
Contributions:					
Employer	\$ 1,390,773	\$ 857,435	\$ 1,387,251	\$ 954,082	\$ 4,589,541
Plan Members	337,794	267,908	242,443	133,591	981,736
Total Contributions	<u>1,728,567</u>	<u>1,125,343</u>	<u>1,629,694</u>	<u>1,087,673</u>	<u>5,571,277</u>
Investment Income:					
Net Change in Fair Value of Investments	(4,200,884)	(3,099,127)	(4,365,385)	(3,467,989)	(15,133,385)
Interest and Dividends	690,303	515,582	709,443	635,128	2,550,456
Total Investment Income (Loss)	<u>(3,510,581)</u>	<u>(2,583,545)</u>	<u>(3,655,942)</u>	<u>(2,832,861)</u>	<u>(12,582,929)</u>
Less Investment Expenses:					
Custodian Fees	(24,935)	(21,385)	(22,273)	-	(68,593)
Net Investment Gain (Loss)	<u>(3,535,516)</u>	<u>(2,604,930)</u>	<u>(3,678,215)</u>	<u>(2,832,861)</u>	<u>(12,651,522)</u>
Total Additions	(1,806,949)	(1,479,587)	(2,048,521)	(1,745,188)	(7,080,245)
<b>DEDUCTIONS</b>					
Benefits	2,216,848	1,180,296	1,795,888	954,082	6,147,114
Administration	39,567	22,675	40,351	50,970	153,563
Total Deductions	<u>2,256,415</u>	<u>1,202,971</u>	<u>1,836,239</u>	<u>1,005,052</u>	<u>6,300,677</u>
<b>CHANGE IN NET POSITION</b>	(4,063,364)	(2,682,558)	(3,884,760)	(2,750,240)	(13,380,922)
Net Position - Beginning of Year	<u>30,361,920</u>	<u>22,259,297</u>	<u>30,384,867</u>	<u>22,666,720</u>	<u>105,672,804</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 26,298,556</u>	<u>\$ 19,576,739</u>	<u>\$ 26,500,107</u>	<u>\$ 19,916,480</u>	<u>\$ 92,291,882</u>

Aggregate Pension Information

The Town recognized the following amounts related to Pension plans as of and for the year ended June 30, 2022:

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
Employee's Pension Plan	\$ 14,376,530	\$ 4,718,408	\$ 29,436	\$ 3,028,017
Police Pension Plan	6,292,262	3,049,076	579,368	1,115,539
Board of Education Plan	12,935,044	2,901,658	-	3,054,550
Connecticut Teachers Retirement System	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,396,285</u>
Total	<u>\$ 33,603,836</u>	<u>\$ 10,669,142</u>	<u>\$ 608,804</u>	<u>\$ 9,594,391</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds  
(Continued)**

Aggregate OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2022:

<u>Plan</u>	<u>Net OPEB Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>OPEB Expense</u>
OPEB Plan	\$ 3,924,099	\$ 2,992,690	\$ 5,469,804	\$ 808,345
Connecticut Teachers Retirement System	-	-	-	748,748
Total	<u>\$ 3,924,099</u>	<u>\$ 2,992,690</u>	<u>\$ 5,469,804</u>	<u>\$ 1,557,093</u>

**NOTE 5 OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2022.

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees. The Town retains the risk of up to a maximum of \$250,000 per claim. Commercial insurance covers any individual claim in excess of \$10,000. During 2022, total claims expense of \$15,963,173 was incurred, which represent claims processed and an estimate for claims incurred but not reported as of June 30, 2022.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2022 of \$1,040,100.

Premium payments are reported as interfund services provided and used for the General Fund, and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the General Fund.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

A schedule of changes in the claims liability for the years ended June 30, 2022 and 2021, is presented below:

	<u>Liability July 1,</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability June 30,</u>
2020-21	\$ 663,000	\$ 14,758,992	\$ 14,464,092	\$ 957,900
2021-22	957,900	15,963,173	15,880,973	1,040,100

**B. Contingent Liabilities**

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect the Town's financial position.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

**C. Landfill Postclosure Care Costs**

The Simsbury landfill stopped accepting solid waste in 1988. The landfill has been capped and tested by the Department of Environmental Protection prior to October 1, 1993, and, as such, the U.S. EPA adopted regulations 40 CFR, Part 258 (Subtitle D), do not apply. However, the Simsbury landfill is still required to monitor its postclosure functions under an approved plan with the state of Connecticut Department of Environmental Protection.

The landfill closing costs of \$30,000 reported as a liability in the government-wide financial statements represent an estimate of the postclosure costs to be incurred by the Town over the next 8 fiscal years for mandatory ground water testing based on a study conducted by an independent consultant. It is estimated that the Town will incur a \$5,000 annual cost over the next 10 fiscal years. This estimate is subject to changes that may result from inflation, technological changes, or regulatory changes.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Property Taxes:				
Current Year Taxes	\$ 95,894,108	\$ 95,894,108	\$ 96,581,158	\$ 687,050
Prior Year's Taxes	280,000	280,000	451,063	171,063
Interest and Lien Fees	250,000	250,000	356,788	106,788
Total Property Taxes	<u>96,424,108</u>	<u>96,424,108</u>	<u>97,389,009</u>	<u>964,901</u>
Intergovernmental Revenues:				
State of Connecticut:				
Office of Policy and Management:				
Property Tax Relief:				
Disabled	1,300	1,300	1,332	32
Additional Veterans	4,500	4,500	4,340	(160)
Department of Education:				
Education Equalization Grant	6,317,010	6,317,010	6,532,395	215,385
Adult Education	15,000	15,000	15,751	751
Miscellaneous:				
State-Owned Property	35,655	35,655	98,849	63,194
Telephone Access Line Grant	43,000	43,000	38,316	(4,684)
Police Grant	-	-	15,358	15,358
COVID-19 Response Grants	-	-	393,020	393,020
FEMA Storm Grants	-	-	119,748	119,748
Municipal Grant in Aid	77,648	77,648	(294,815)	(372,463)
Elderly/Handicapped Transportation	40,720	40,720	40,711	(9)
Housing Authority in Lieu of Taxes	25,000	25,000	38,522	13,522
Board of Education Tuition Regular	74,000	74,000	116,340	42,340
PILOT - Westminster School	120,000	120,000	120,000	-
Total Intergovernmental Revenues	<u>6,753,833</u>	<u>6,753,833</u>	<u>7,239,867</u>	<u>486,034</u>
Investment Income	50,000	50,000	117,817	67,817
Charges for Goods and Services:				
Conveyance Tax Receipts	450,000	450,000	677,321	227,321
Town Clerk Recording Fees	120,000	120,000	158,550	38,550
Town Clerk Farmland Preservation Fees	2,500	2,500	2,642	142
Vital Record Copy Fees	29,500	29,500	41,170	11,670
Marriage License Fees	2,500	2,500	3,904	1,404
Trade Name Filing Fee	500	500	610	110
Vendor Permit Fees	600	600	-	(600)
Notary Filing Fees	1,005	1,005	950	(55)
Map/Land Record Copy Fee	20,000	20,000	28,582	8,582

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive Negative
	Original	Final		
Charges for Goods and Services (Continued):				
Liquor Permit Filing Fee	\$ 600	\$ 600	\$ 600	\$ -
Burial/Crem Permit Fee	800	800	764	(36)
Assessor Plane Reg Fee	3,500	3,500	-	(3,500)
Assessor Copy Fees	250	250	3,380	3,130
Misc. Copy Fee	400	400	3,267	2,867
Foreclosure Filing Fee	200	200	250	50
Tax Collector - Fire District Supplies, etc.	6,500	6,500	6,500	-
Finance Department - BOE Charges for Services	30,000	30,000	30,000	-
Building Department Shared Position	38,500	38,500	34,507	(3,993)
Information Technology - BOE Charges for Services	168,528	168,528	168,528	-
Police Department - Emergency Reporting	39,828	39,828	42,294	2,466
Police Department - BOE Charges for Services	145,837	145,837	145,837	-
Engineering Department Fees	50	50	42	(8)
Engineering Department Shared Position	20,000	20,000	20,000	-
Library Fees	1,700	1,700	9,241	7,541
Memorial Pool	3,500	3,500	533	(2,967)
Parks and Open Space - BOE Charges for Services	231,596	231,596	231,596	-
Board of Education Miscellaneous	7,500	7,500	18,326	10,826
Community Gardens	3,100	3,100	3,565	465
Total Charges for Goods and Services	1,328,994	1,328,994	1,632,959	303,965
Fines and Forfeitures:				
Library Fines and Fees	1,873	1,873	3,557	1,684
False Alarms Fines	4,500	4,500	3,750	(750)
Traffic Tickets	3,000	3,000	3,735	735
Animal Control Fines	500	500	225	(275)
Total Fines and Forfeitures	9,873	9,873	11,267	1,394
Rental of Town-Owned Property:				
Eno Memorial Hall	1,750	1,750	3,025	1,275
Education - School Rentals	50,000	50,000	52,172	2,172
Library Rentals	613	613	-	(613)
World Skate	80,000	80,000	85,000	5,000
SPAC Rental Fees	2,500	2,500	2,500	-
Total Rental of Town-Owned Property	134,863	134,863	142,697	7,834

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Licenses and Permits:				
Sporting Licenses	\$ 50	\$ 50	\$ 77	\$ 27
Dog Licenses	13,000	13,000	15,668	2,668
Land Use Commission	20,000	20,000	37,202	17,202
Police Department Fees	6,000	6,000	17,241	11,241
Building Department Fees	800,000	800,000	788,552	(11,448)
Total Licenses and Permits	<u>839,050</u>	<u>839,050</u>	<u>858,740</u>	<u>19,690</u>
Other Local Revenues:				
Tax Department Insufficient Funds	-	-	100	100
Assessor miscellaneous	-	-	250	250
Finance Department Miscellaneous	-	-	2,683	2,683
Town Clerk Insufficient Funds	40	40	-	(40)
Central Administration Miscellaneous	-	-	66	66
Highway Department Miscellaneous	500	500	5,020	4,520
Police Department Insufficient Funds	-	-	40	40
Police Department Miscellaneous	4,100	4,100	1,724	(2,376)
Insurance Refunds	27,500	27,500	58,236	30,736
Scrap Metal Recycling	1,200	1,200	-	(1,200)
Miscellaneous	-	-	26,871	26,871
Total Other Local Revenues	<u>33,340</u>	<u>33,340</u>	<u>94,990</u>	<u>61,650</u>
Total Revenues	105,574,061	105,574,061	107,487,346	1,913,285

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Sources:				
Appropriations from Fund Balance	\$ -	\$ 270,286	\$ -	\$ (270,286)
Transfers from Other Funds:				
Capital Projects	264,273	364,329	364,329	-
Sewer Use Fund	114,483	114,483	114,483	-
Special Revenue Fund	23,100	23,100	218,127	195,027
Total Other Financing Sources	<u>401,856</u>	<u>772,198</u>	<u>696,939</u>	<u>(75,259)</u>
 Total Revenues and Other Financing Sources	 <u>\$ 105,975,917</u>	 <u>\$ 106,346,259</u>	 108,184,285	 <u>\$ 1,838,026</u>
 Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf payments to the Connecticut State Teacher's Retirement System for Town teachers are not budgeted.			10,460,556	
State of Connecticut on-behalf payments to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted.			246,157	
Encumbrances outstanding at June 30, 2021, cancelled during the year ended June 30, 2022.			<u>(7,351)</u>	
 Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds Exhibit IV			 <u>\$ 118,883,647</u>	

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government:</b>				
Central Administration	\$ 484,970	\$ 468,532	\$ 468,532	\$ -
Administration Services	112,836	105,200	105,200	-
Community Services	130,289	128,517	128,517	-
Land Use Commission	19,200	9,338	9,338	-
Economic Development Commission	50,650	50,000	50,000	-
Public Building Committee	1,625	3,647	3,647	-
Beautification	4,800	5,400	5,400	-
Elections	106,797	97,005	97,005	-
Legal	151,000	229,440	229,440	-
Town Clerk	243,748	243,544	243,544	-
Probate Court	10,773	10,773	10,773	-
Total General Government	1,316,688	1,351,396	1,351,396	-
<b>Financial Services:</b>				
Board of Finance	47,065	44,736	44,736	-
Finance Department	458,884	428,894	428,894	-
Tax Collector	191,919	182,831	182,831	-
Assessors	362,514	272,084	272,084	-
Information Technology	353,094	305,808	305,808	-
Total Financial Services	1,413,476	1,234,353	1,234,353	-
<b>Planning and Development:</b>				
Planning Department	367,353	299,088	299,088	-
Building Department	292,553	263,593	263,593	-
Total Planning and Development	659,906	562,681	562,681	-
<b>Public Safety:</b>				
Police Commission	750	756	756	-
Police	5,032,250	4,930,072	4,930,072	-
Dispatch	573,633	566,874	566,874	-
Animal Control Officer	78,397	43,290	43,290	-
Civil Preparedness	6,785	6,729	6,729	-
Total Public Safety	5,691,815	5,547,721	5,547,721	-

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Works:</b>				
Engineering	\$ 283,811	\$ 250,095	\$ 250,095	\$ -
Public Works Administration	320,858	327,893	327,893	-
Buildings and Grounds	533,132	445,668	445,668	-
Town Offices	152,473	183,924	183,924	-
Eno Hall Memorial	75,875	149,396	149,396	-
Miscellaneous Building	28,050	31,836	31,836	-
Highway - Labor and Equipment	2,073,395	2,027,174	2,027,174	-
Highway - Facilities and Programs	1,017,839	1,024,021	1,024,021	-
Landfill	58,000	49,707	49,707	-
Total Public Works	4,543,433	4,489,714	4,489,714	-
<b>Culture and Recreation:</b>				
Recreation - Administration	62,345	55,217	55,217	-
Parks and Open Space - Maintenance	963,199	880,102	880,102	-
Parks and Open Space - Memorial Field	34,632	13,944	13,944	-
Parks and Open Space - Memorial Pool	73,209	50,488	50,488	-
Library - Administration	641,153	642,471	642,471	-
Library - Adult and Young Adult	573,302	530,153	530,153	-
Library - Building and Grounds	149,120	147,741	147,741	-
Library - Children Services	372,026	320,650	320,650	-
Total Culture and Recreation	2,868,986	2,640,766	2,640,766	-
<b>Health and Welfare:</b>				
Aging & Disability Commission	-	1,522	1,522	-
Health Department	177,765	177,765	177,765	-
Social Services Administration	307,854	285,910	285,910	-
Senior Center	158,681	133,514	133,514	-
Transportation	165,240	159,271	159,271	-
Total Health and Welfare	809,540	757,982	757,982	-
<b>Fringe Benefits and Insurance:</b>				
Social Security	959,040	878,125	878,125	-
Town General Liability Insurance	480,941	486,858	486,858	-
Employee Group Insurance	3,017,824	2,818,486	2,818,486	-
Life and Disability Insurance	79,808	76,074	76,074	-
Unemployment Reserve	10,000	14,122	14,122	-
Pensions	2,352,481	2,309,791	2,309,791	-
Total Fringe Benefits and Insurance	6,900,094	6,583,456	6,583,456	-

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	2022		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Budgeted Amounts			
	Original	Final		
Board of Education	\$ 73,881,930	\$ 74,555,435	\$ 74,555,435	\$ -
Nonpublic Schools Budget:				
Nonpublic Schools	564,650	564,650	547,113	17,537
Debt Service:				
Principal	5,065,001	5,065,000	5,065,000	-
Interest	1,484,356	1,484,356	1,484,356	-
Total Debt Service	<u>6,549,357</u>	<u>6,549,356</u>	<u>6,549,356</u>	<u>-</u>
Other Financing Uses:				
Contingency Reserve	205,388	54	-	54
Transfer to Capital Fund	398,209	571,250	571,250	-
Transfers to Other Funds	172,445	937,445	937,445	-
Total Other Financing Uses	<u>776,042</u>	<u>1,508,749</u>	<u>1,508,695</u>	<u>54</u>
Total Expenditures and Other Financing Uses	<u>\$ 105,975,917</u>	<u>\$ 106,346,259</u>	106,328,668	<u>\$ 17,591</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			10,460,556	
State of Connecticut on-behalf payments to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted.			246,157	
Transfers to BOE Nonlapsing Fund			-	
Encumbrances Outstanding at June 30, 2021, Liquidated During the Year Ended June 30, 2022.			67,952	
Encumbrances Outstanding at June 30, 2022			<u>(280,216)</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV			<u>\$ 116,823,117</u>	

**TOWN OF SIMSBURY, CONNECTICUT  
SEWER OPERATING FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

	Sewer Use Fund			Variance with Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 409,927	\$ 409,927	\$ 394,835	\$ (15,092)
Investment Income	8,000	8,000	11,631	3,631
Charges for Goods and Services	684,820	684,820	667,503	(17,317)
Miscellaneous	23,514	23,514	12,602	(10,912)
Assessment Interest and Liens	22,642	22,642	32,258	9,616
Assessments	2,738,455	2,738,455	3,129,922	391,467
Total Revenues	<u>3,887,358</u>	<u>3,887,358</u>	<u>4,248,751</u>	<u>361,393</u>
<b>EXPENDITURES</b>				
Current:				
Facility Management	2,568,798	2,568,798	2,408,730	160,068
Debt Service	1,265,207	1,265,207	1,218,625	46,582
Total Expenditures	<u>3,834,005</u>	<u>3,834,005</u>	<u>3,627,355</u>	<u>206,650</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	53,353	53,353	621,396	568,043
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Other Funds	-	-	15,574	15,574
Transfers to Other Funds	(1,540,000)	(1,540,000)	(695,000)	845,000
Net Other Financing Uses	<u>(1,540,000)</u>	<u>(1,540,000)</u>	<u>(679,426)</u>	<u>860,574</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (1,486,647)</u>	<u>\$ (1,486,647)</u>	(58,030)	<u>\$ 1,428,617</u>
Fund Balances - Beginning of Year			<u>7,306,501</u>	
<b>FUND BALANCES - END OF YEAR</b>			<u>\$ 7,248,471</u>	

**TOWN OF SIMSBURY, CONNECTICUT  
SEWER OPERATING FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(NON-GAAP BUDGETARY BASIS)**

Reconciliation to GAAP Basis

	Revenue and Transfers	Expenditures and Transfers	Fund Balance
Balance, Budgetary Basis - End of Year	\$ 4,264,325	\$ 4,322,355	\$ 7,248,471
Encumbrances Outstanding at End of Year, Charged to Budgetary Expenditures	-	(71,152)	71,152
Encumbrances Cancelled During the Year	(6,940)	-	-
Prior Encumbrances Still Open	-	-	632
Payments on Prior Year Encumbrances	-	11,644	-
	<u>                  </u>	<u>                  </u>	<u>                  </u>
Balance, GAAP Basis - June 30, 2022	<u>\$ 4,257,385</u>	<u>\$ 4,262,847</u>	<u>\$ 7,320,255</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**TOWN PENSION PLAN**  
**LAST EIGHT FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>									
Service Cost	\$ 770,819	\$ 669,268	\$ 700,538	\$ 629,377	\$ 673,731	\$ 668,192	\$ 651,746	\$ 607,101	\$ 605,889
Interest	2,555,101	2,364,718	2,205,899	2,156,775	2,070,339	1,939,574	1,864,604	1,793,949	1,718,093
Changes of Benefit Terms	-	-	-	-	-	291,643	-	(16,733)	-
Differences Between Expected and Actual Experience	167,817	(58,874)	1,599,221	206,134	269,122	509,974	(259,385)	99,498	(1,191)
Changes of Assumptions	510,795	2,635,850	-	815,182	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,216,848)	(2,139,369)	(2,104,246)	(1,917,120)	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)	(1,157,072)
Net Change in Total Pension Liability	1,787,684	3,471,593	2,401,412	1,890,348	1,456,147	1,872,391	960,357	1,162,385	1,165,719
Total Pension Liability - Beginning	38,887,402	35,415,809	33,014,397	31,124,049	29,667,902	27,795,511	26,835,154	25,672,769	24,507,050
Total Pension Liability - Ending	40,675,086	38,887,402	35,415,809	33,014,397	31,124,049	29,667,902	27,795,511	26,835,154	25,672,769
<b>Plan Fiduciary Net Position:</b>									
Contributions - Employer	1,390,773	1,272,157	1,031,101	950,965	920,889	877,664	1,023,393	1,013,590	985,741
Contributions - Member	337,794	296,132	326,518	365,409	302,656	295,408	445,994	223,536	175,834
Net Investment Income	(3,535,516)	6,057,599	755,523	1,183,630	1,491,838	2,563,793	(20,390)	417,241	2,628,574
Benefit Payments	(2,216,848)	(2,139,369)	(2,104,246)	(1,917,120)	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)	(1,105,875)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	(51,197)
Administrative Expense	(39,567)	(39,320)	(49,745)	(58,623)	(22,443)	(34,812)	(37,476)	(35,251)	(32,427)
Net Change in Plan Fiduciary Net Position	(4,063,364)	5,447,199	(40,849)	524,261	1,135,895	2,165,061	114,913	297,686	2,600,650
Plan Fiduciary Net Position - Beginning	30,361,920	24,914,721	24,955,570	24,431,309	23,295,414	21,130,353	21,015,440	20,717,754	18,117,104
Plan Fiduciary Net Position - Ending	26,298,556	30,361,920	24,914,721	24,955,570	24,431,309	23,295,414	21,130,353	21,015,440	20,717,754
<b>Town's Net Pension Liability - Ending</b>	<b>\$ 14,376,530</b>	<b>\$ 8,525,482</b>	<b>\$ 10,501,088</b>	<b>\$ 8,058,827</b>	<b>\$ 6,692,740</b>	<b>\$ 6,372,488</b>	<b>\$ 6,665,158</b>	<b>\$ 5,819,714</b>	<b>\$ 4,955,015</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>64.66%</b>	<b>78.08%</b>	<b>70.35%</b>	<b>75.59%</b>	<b>78.50%</b>	<b>78.52%</b>	<b>76.02%</b>	<b>78.31%</b>	<b>80.70%</b>
<b>Covered Payroll</b>	<b>\$ 6,597,800</b>	<b>\$ 6,859,123</b>	<b>\$ 6,832,071</b>	<b>\$ 7,110,117</b>	<b>\$ 7,124,309</b>	<b>\$ 6,870,896</b>	<b>\$ 6,476,467</b>	<b>\$ 6,477,000</b>	<b>\$ 6,491,000</b>
<b>Town's Net Pension Liability as a Percentage of Covered Payroll</b>	<b>217.90%</b>	<b>124.29%</b>	<b>153.70%</b>	<b>113.34%</b>	<b>93.94%</b>	<b>92.75%</b>	<b>102.91%</b>	<b>89.85%</b>	<b>76.34%</b>

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**POLICE PENSION PLAN**  
**LAST EIGHT FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:								
Service Cost	\$ 708,680	\$ 642,813	\$ 650,296	\$ 543,312	\$ 530,370	\$ 530,838	\$ 484,804	\$ 449,735
Interest	1,637,478	1,533,380	1,460,524	1,412,130	1,370,121	1,374,437	1,327,012	1,261,868
Changes of Benefit Terms	-	-	-	-	-	-	-	266,580
Differences Between Expected and Actual Experience	(249,802)	(77,829)	132,645	2,931	(186,985)	(944,755)	132,622	(91,391)
Changes of Assumptions	364,297	1,028,208	-	578,872	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,180,296)	(1,204,052)	(1,110,746)	(1,246,539)	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)
Net Change in Total Pension Liability	1,280,357	1,922,520	1,132,719	1,290,706	703,403	(72,425)	889,542	793,945
Total Pension Liability - Beginning	24,588,644	22,666,124	21,533,405	20,242,699	19,539,296	19,611,721	18,722,179	17,928,234
Total Pension Liability - Ending	25,869,001	24,588,644	22,666,124	21,533,405	20,242,699	19,539,296	19,611,721	18,722,179
Plan Fiduciary Net Position:								
Contributions - Employer	857,435	809,664	651,976	586,956	600,240	677,434	727,009	633,000
Contributions - Member	267,908	244,095	294,500	270,561	244,113	239,130	196,550	190,966
Net Investment Income (Loss)	(2,604,930)	4,388,821	547,467	1,001,959	1,039,142	1,774,219	(11,573)	295,997
Benefit Payments	(1,180,296)	(1,204,052)	(1,110,746)	(1,246,539)	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)
Refunds of Member Contributions	-	-	-	-	-	-	-	-
Administrative Expense	(22,675)	(16,390)	(34,126)	(51,487)	(12,953)	(24,396)	(24,051)	(33,374)
Net Change in Plan Fiduciary Net Position	(2,682,558)	4,222,138	349,071	561,450	860,439	1,633,442	(166,961)	(6,258)
Plan Fiduciary Net Position - Beginning	22,259,297	18,037,159	17,688,088	17,126,638	16,266,199	14,632,757	14,799,718	14,805,976
Plan Fiduciary Net Position - Ending	19,576,739	22,259,297	18,037,159	17,688,088	17,126,638	16,266,199	14,632,757	14,799,718
Town's Net Pension Liability - Ending	<u>\$ 6,292,262</u>	<u>\$ 2,329,347</u>	<u>\$ 4,628,965</u>	<u>\$ 3,845,317</u>	<u>\$ 3,116,061</u>	<u>\$ 3,273,097</u>	<u>\$ 4,978,964</u>	<u>\$ 3,922,461</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.68%	90.53%	79.58%	82.14%	84.61%	83.25%	74.61%	79.05%
Covered Payroll	<u>\$ 3,834,513</u>	<u>\$ 3,932,170</u>	<u>\$ 3,589,830</u>	<u>\$ 3,400,678</u>	<u>\$ 3,400,310</u>	<u>\$ 3,143,684</u>	<u>\$ 2,918,053</u>	<u>\$ 2,866,000</u>
Town's Net Pension Liability as a Percentage of Covered Payroll	164.10%	59.24%	128.95%	113.08%	91.64%	104.12%	170.63%	136.86%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**BOARD OF EDUCATION PLAN**  
**LAST EIGHT FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:								
Service Cost	\$ 709,652	\$ 665,110	\$ 740,945	\$ 712,212	\$ 742,875	\$ 781,880	\$ 792,518	\$ 720,226
Interest	2,472,708	2,241,566	2,143,058	2,064,354	1,980,261	1,903,998	1,815,018	1,745,104
Changes of Benefit Terms	-	8,957	-	-	-	-	(29,091)	(32,802)
Differences Between Expected and Actual Experience	65,804	39,830	260,375	135,169	(161,126)	(274,621)	(445,038)	319,281
Changes of Assumptions	485,086	2,847,046	-	760,097	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,795,888)	(1,668,714)	(1,551,554)	(1,335,830)	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)
Net Change in Total Pension Liability	1,937,362	4,133,795	1,592,824	2,336,002	1,237,582	1,168,738	1,008,101	1,604,724
Total Pension Liability - Beginning	37,497,789	33,363,994	31,771,170	29,435,168	28,197,586	27,028,848	26,020,747	24,416,023
Total Pension Liability - Ending	39,435,151	37,497,789	33,363,994	31,771,170	29,435,168	28,197,586	27,028,848	26,020,747
Plan Fiduciary Net Position:								
Contributions - Employer	1,387,251	1,296,230	1,175,122	1,086,598	1,084,561	1,112,035	1,288,982	1,236,631
Contributions - Member	242,443	265,776	279,676	293,320	304,208	348,561	324,788	283,432
Net Investment Income	(3,678,215)	6,155,888	745,321	1,223,623	1,364,568	2,322,363	21,997	337,905
Benefit Payments	(1,795,888)	(1,668,714)	(1,551,554)	(1,335,830)	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)
Refunds of Member Contributions	-	-	-	-	-	-	-	-
Administrative Expense	(40,351)	(36,442)	(26,153)	(54,326)	(25,392)	(37,728)	(18,799)	(26,200)
Net Change in Plan Fiduciary Net Position	(3,884,760)	6,012,738	622,412	1,213,385	1,403,517	2,502,712	491,662	684,683
Plan Fiduciary Net Position - Beginning	30,384,867	24,372,129	23,749,717	22,536,332	21,132,815	18,630,103	18,138,441	17,453,758
Plan Fiduciary Net Position - Ending	26,500,107	30,384,867	24,372,129	23,749,717	22,536,332	21,132,815	18,630,103	18,138,441
Town's Net Pension Liability - Ending	<u>\$ 12,935,044</u>	<u>\$ 7,112,922</u>	<u>\$ 8,991,865</u>	<u>\$ 8,021,453</u>	<u>\$ 6,898,836</u>	<u>\$ 7,064,771</u>	<u>\$ 8,398,745</u>	<u>\$ 7,882,306</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.20%	81.03%	73.05%	74.75%	76.56%	74.95%	68.93%	69.71%
Covered Payroll	<u>\$ 6,391,476</u>	<u>\$ 7,050,585</u>	<u>\$ 7,011,899</u>	<u>\$ 7,235,501</u>	<u>\$ 7,614,963</u>	<u>\$ 7,766,728</u>	<u>\$ 7,864,597</u>	<u>\$ 7,916,465</u>
Town's Net Pension Liability as a Percentage of Covered Payroll	202.38%	100.88%	128.24%	110.86%	90.60%	90.96%	106.79%	99.57%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TOWN PENSION PLAN  
LAST TEN FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 1,390,773	\$ 1,272,157	\$ 1,031,101	\$ 950,965	\$ 920,889	\$ 877,663	\$ 888,277	\$ 1,013,590	\$ 985,089	\$ 714,779
Contributions in Relation to the Actuarially Determined Contribution	1,390,773	1,272,157	1,031,101	950,965	920,889	877,664	1,023,393	1,013,590	985,089	779,972
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1)	\$ (135,116)	\$ -	\$ -	\$ (65,193)
Covered Payroll	\$ 6,597,800	\$ 6,859,123	\$ 6,832,071	\$ 7,110,117	\$ 7,124,309	\$ 6,870,896	\$ 6,476,467	\$ 6,477,448	\$ 6,490,784	\$ 5,797,979
Contributions as a Percentage of Covered Payroll	21.08%	18.55%	15.09%	13.37%	12.93%	12.77%	15.80%	15.65%	15.18%	13.45%

Notes to Schedule:

Valuation Date July 1, 2021  
 Measurement Date June 30, 2022

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16 Years
Asset Valuation Method	5-Year Nonsymptotic
Inflation	2.75%
Salary Increases	3.50%
Investment Rate of Return	6.50%, previously 6.625%
Retirement Age	Rates Based on Age
Turnover	Rates Based on Service
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2019 Ultimate scale.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION PLAN  
LAST TEN FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 857,435	\$ 809,664	\$ 651,976	\$ 586,956	\$ 600,240	\$ 677,434	\$ 631,023	\$ 632,679	\$ 562,233	\$ 465,641
Contributions in Relation to the Actuarially Determined Contribution	857,435	809,664	651,976	586,956	600,240	677,434	727,009	633,000	562,233	508,111
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (95,986)	\$ (321)	\$ -	\$ (42,470)
Covered Payroll	\$ 3,834,513	\$ 3,932,170	\$ 3,589,830	\$ 3,400,678	\$ 3,400,310	\$ 3,143,684	\$ 2,918,053	\$ 2,866,183	\$ 2,772,281	\$ 2,362,484
Contributions as a Percentage of Covered Payroll	22.36%	20.59%	18.16%	17.26%	17.65%	21.55%	24.91%	22.09%	20.28%	21.51%

Notes to Schedule:

Valuation Date July 1, 2021  
 Measurement Date June 30, 2022  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Nonasymptotic
Inflation	2.75%
Salary Increases	8.25% for the First 7 Years and 3.00% Thereafter
Investment Rate of Return	6.50%, previously 6.625%
Retirement Age	20% Per Year Starting at Normal Retirement Date; 100% at Age 62
Mortality	PubS-2010 Mortality Table with generational projection per the MP-2019 Ultimate scale.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
BOARD OF EDUCATION PLAN  
LAST TEN FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially Determined Contribution	\$ 1,387,251	\$ 1,296,230	\$ 1,175,122	\$ 1,086,598	\$ 1,084,561	\$ 1,112,035	\$ 1,110,353	\$ 1,236,631	\$ 1,231,124	\$ 1,012,381
Contributions in Relation to the Actuarially Determined Contribution	<u>1,387,251</u>	<u>1,296,230</u>	<u>1,175,122</u>	<u>1,086,598</u>	<u>1,084,561</u>	<u>1,112,035</u>	<u>1,288,982</u>	<u>1,236,631</u>	<u>1,231,124</u>	<u>1,104,718</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (178,629)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (92,337)</u>					
Covered Payroll	<u>\$ 6,391,476</u>	<u>\$ 7,050,585</u>	<u>\$ 7,011,899</u>	<u>\$ 7,235,501</u>	<u>\$ 7,614,963</u>	<u>\$ 7,766,728</u>	<u>\$ 7,864,597</u>	<u>\$ 7,916,465</u>	<u>\$ 7,911,823</u>	<u>\$ 7,740,314</u>
Contributions as a Percentage of Covered Payroll	21.70%	18.38%	16.76%	15.02%	14.24%	14.32%	16.39%	15.62%	15.56%	14.27%

Notes to Schedule:

Valuation Date July 1, 2021  
 Measurement Date June 30, 2022  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Nonasymptotic
Inflation	2.75%
Salary Increases	3.50%
Investment Rate of Return	6.50%, previously 6.625%
Retirement Age	Rates Based on Age
Turnover	Rates Based on Service
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2019 Ultimate scale.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
PENSION  
LAST NINE FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense:									
General Government Pension Plan	(11.65%)	24.27%	3.04%	4.84%	6.36%	12.09%	(0.10%)	1.97%	14.35%
Police Pension Plan	(11.64%)	24.19%	3.07%	5.88%	6.34%	12.00%	(0.08%)	1.98%	14.30%
Board of Education Pension Plan	(11.91%)	24.75%	3.08%	5.32%	6.32%	12.07%	0.12%	1.86%	14.02%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS RETIREMENT PLAN  
LAST EIGHT FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>124,926,104</u>	<u>157,733,293</u>	<u>143,961,121</u>	<u>111,002,388</u>	<u>111,434,579</u>	<u>117,564,334</u>	<u>92,706,902</u>	<u>85,688,952</u>
Total	<u>\$ 124,926,104</u>	<u>\$ 157,733,293</u>	<u>\$ 143,961,121</u>	<u>\$ 111,002,388</u>	<u>\$ 111,434,579</u>	<u>\$ 117,564,334</u>	<u>\$ 92,706,902</u>	<u>\$ 85,688,952</u>
Town's Covered Payroll	<u>\$ 38,088,354</u>	<u>\$ 36,741,196</u>	<u>\$ 35,765,154</u>	<u>\$ 34,712,942</u>	<u>\$ 34,259,016</u>	<u>\$ 33,773,614</u>	<u>\$ 32,597,004</u>	<u>\$ 32,231,978</u>
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule:

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	30 Years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.25%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment-Related Expense

Notes:

This schedule is intended to be for ten years. Additional years will be added as they become available.  
The measurement date is one year earlier than the employer's reporting date.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OPEB**  
**LAST SIX FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:						
Service Cost	\$ 897,711	\$ 955,522	\$ 902,676	\$ 828,630	\$ 823,820	\$ 797,888
Interest	1,896,026	1,785,683	1,620,250	1,520,906	1,509,026	1,424,684
Differences Between Expected and Actual Experience	(4,203,001)	-	2,113,487	-	(949,698)	-
Changes of Assumptions	(1,456,892)	-	(291,275)	-	(509)	-
Benefit Payments	<u>(954,082)</u>	<u>(1,140,222)</u>	<u>(1,040,537)</u>	<u>(969,404)</u>	<u>(1,061,000)</u>	<u>(1,228,579)</u>
Net Change in Total OPEB Liability	(3,820,238)	1,600,983	3,304,601	1,380,132	321,639	993,993
Total OPEB Liability - Beginning	<u>27,660,817</u>	<u>26,059,834</u>	<u>22,755,233</u>	<u>21,375,101</u>	<u>21,053,462</u>	<u>20,059,469</u>
Total OPEB Liability - Ending	23,840,579	27,660,817	26,059,834	22,755,233	21,375,101	21,053,462
Plan Fiduciary Net Position:						
Contributions - Employer	954,082	1,360,107	1,350,537	1,157,219	1,197,000	1,310,930
Contributions - Member	133,591	152,927	107,341	174,772	173,532	174,237
Net Investment Income	(2,832,861)	4,657,455	611,868	931,563	931,850	1,180,640
Benefit Payments	(954,082)	(1,140,222)	(1,040,537)	(969,404)	(1,061,000)	(1,228,579)
Administrative Expense	<u>(50,970)</u>	<u>(84,664)</u>	<u>(11,592)</u>	<u>(4,925)</u>	<u>(9,228)</u>	<u>-</u>
Net Change in Plan Fiduciary Net Position	(2,750,240)	4,945,603	1,017,617	1,289,225	1,232,154	1,437,228
Plan Fiduciary Net Position - Beginning	<u>22,666,720</u>	<u>17,721,117</u>	<u>16,703,500</u>	<u>15,414,275</u>	<u>14,182,121</u>	<u>12,744,893</u>
Plan Fiduciary Net Position - Ending	<u>19,916,480</u>	<u>22,666,720</u>	<u>17,721,117</u>	<u>16,703,500</u>	<u>15,414,275</u>	<u>14,182,121</u>
Net OPEB Liability - Ending	<u>\$ 3,924,099</u>	<u>\$ 4,994,097</u>	<u>\$ 8,338,717</u>	<u>\$ 6,051,733</u>	<u>\$ 5,960,826</u>	<u>\$ 6,871,341</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	83.54%	81.95%	68.00%	73.41%	72.11%	67.36%
Covered Payroll	<u>\$ 54,406,476</u>	<u>\$ 54,406,476</u>	<u>\$ 52,352,923</u>	<u>\$ 52,352,923</u>	<u>\$ 45,238,019</u>	<u>\$ 45,238,019</u>
Net OPEB Liability as a Percentage of Covered Payroll	7.21%	9.18%	15.93%	11.56%	13.18%	15.19%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OPEB  
LAST TEN FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution (1)	\$ 1,595,000	\$ 1,284,141	\$ 1,308,000	\$ 1,093,300	\$ 1,182,000	\$ 1,073,307	\$ 1,047,953	\$ 1,880,000	\$ 1,825,000	\$ 1,613,000
Contributions in Relation to the Actuarially Determined Contribution	954,082	1,360,107	1,350,537	1,157,219	1,197,000	1,073,307	1,195,883	4,880,000	1,980,158	2,393,362
Contribution Deficiency (Excess)	\$ 640,918	\$ (75,966)	\$ (42,537)	\$ (63,919)	\$ (15,000)	\$ -	\$ (147,930)	\$ (3,000,000)	\$ (155,158)	\$ (780,362)
Covered Payroll	\$ 54,406,476	\$ 54,406,476	\$ 52,352,923	\$ 52,352,923	\$ 45,238,019	\$ 45,238,019	\$ 44,570,517	\$ 44,132,000	\$ 44,132,000	N/A
Contributions as a Percentage of Covered Payroll	1.75%	2.50%	2.58%	2.21%	2.65%	2.37%	2.68%	11.06%	4.49%	NA

(1) Actuarially Determined Contributions prior to fiscal year ended June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date July 1, 2021  
 Measurement Date June 30, 2022

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:	
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent, Closed
Amortization Period	16 Years
Asset Valuation Method	Market Value
Inflation	2.75%
Healthcare Cost Trend Rates	Pre-Medicare: 5.20% - 4.30% over 60 Years Post-Medicare: 5.00% - 4.30% over 51 Years
Salary Increases	Graded Scale for Certified BOE and Police, 3.5% for All Others
Investment Rate of Return	6.50%, Net of OPEB Plan investment expense, including inflation
Mortality	Pub-2010 Mortality Tables with the MP-2021 Ultimate Improvement Scale

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB  
LAST SIX FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	(12.46%)	26.00%	3.59%	5.96%	7.52%	9.44%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 TEACHERS RETIREMENT PLAN  
 LAST FIVE FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	<u>13,610,470</u>	<u>23,525,926</u>	<u>22,451,549</u>	<u>22,190,058</u>	<u>28,681,978</u>
Total	<u>\$ 13,610,470</u>	<u>\$ 23,525,926</u>	<u>\$ 22,451,549</u>	<u>\$ 22,190,058</u>	<u>\$ 28,681,978</u>
Town's Covered Payroll	<u>\$ 38,088,354</u>	<u>\$ 36,741,196</u>	<u>\$ 35,765,154</u>	<u>\$ 34,712,942</u>	<u>\$ 34,259,016</u>
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.11%	2.50%	2.08%	1.49%	1.79%

Notes to Schedule:

Changes in Benefit Terms	None
Changes of Assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021 was updated to equal the Municipal Bond Index Rate as of June 30, 2021; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll Over an Open Period
Remaining Amortization Period	30 Years
Asset Valuation Method	Market value of assets
Investment Rate of Return	3.00%, Net of Investment-Related Expense Including Price Inflation
Price Inflation	2.75%

Note:  
 This schedule is intended to be for ten years. Additional years will be added as they become available.  
 The measurement date is one year earlier than the employer's reporting date

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **MAJOR GOVERNMENTAL FUNDS**

### **General Fund**

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government that are not required to be accounting for in another fund.

### **Sewer Use Fund**

To account for sewer user fees and sewer plant operations.

### **BOE Programs Fund**

To account for BOE programs, including scholarship activity.

### **Capital Project Fund**

The Capital Project Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

### **ARPA Fund**

The ARPA Fund is used to account for financial resources received as a result of the American Rescue Plan Act (ARPA).

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
GENERAL FUND  
JUNE 30, 2022**

	General Fund	BOE Nonlapsing Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 20,236,319	\$ 651,308	\$ 20,887,627
Receivables, Net of Allowance of \$80,000	4,550,605	-	4,550,605
Due from Other Funds	762,293	-	762,293
Other Assets	69,409	-	69,409
Total Assets	<u>\$ 25,618,626</u>	<u>\$ 651,308</u>	<u>\$ 26,269,934</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 2,091,965	\$ -	\$ 2,091,965
Unearned Revenue	109,836	-	109,836
Total Liabilities	2,201,801	-	2,201,801
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	962,915	-	962,915
Unavailable Revenue - Property Tax Interest	449,494	-	449,494
Lease Related	2,614,414	-	2,614,414
Total Deferred Inflows of Resources	4,026,823	-	4,026,823
<b>FUND BALANCES</b>			
Nonspendable	69,409	-	69,409
Committed	-	651,308	651,308
Assigned	280,215	-	280,215
Unassigned	19,040,378	-	19,040,378
Total Fund Balances	19,390,002	651,308	20,041,310
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 25,618,626</u>	<u>\$ 651,308</u>	<u>\$ 26,269,934</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	General Fund	BOE Nonlapsing Fund	Total
<b>REVENUES</b>			
Property Taxes	\$ 97,389,009	\$ -	\$ 97,389,009
Intergovernmental	17,946,580	-	17,946,580
Investment Gain	117,817	-	117,817
Charges for Goods and Services	1,514,787	-	1,514,787
Licenses and Permits	980,469	-	980,469
Rental of Town-Owned Property	162,217	-	162,217
Local Revenues	66,086	-	66,086
Other	9,743	-	9,743
Total Revenues	<u>118,186,708</u>	<u>-</u>	<u>118,186,708</u>
<b>EXPENDITURES</b>			
Current:			
General Government	2,792,929	-	2,792,929
Planning and Development	633,434	-	633,434
Public Safety	6,007,733	-	6,007,733
Facility Management	4,225,374	-	4,225,374
Culture and Recreation	2,931,413	-	2,931,413
Health and Welfare	799,046	-	799,046
Education	90,259,219	-	90,259,219
Debt Service:			
Principal Payments	5,065,000	-	5,065,000
Interest and Other	1,484,356	-	1,484,356
Total Expenditures	<u>114,198,504</u>	<u>-</u>	<u>114,198,504</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	3,988,204	-	3,988,204
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	696,939	-	696,939
Transfers Out	<u>(2,624,613)</u>	<u>-</u>	<u>(2,624,613)</u>
Total Other Financing Sources (Uses)	<u>(1,927,674)</u>	<u>-</u>	<u>(1,927,674)</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,060,530	-	2,060,530
Fund Balances - Beginning of Year	<u>17,329,472</u>	<u>651,308</u>	<u>17,980,780</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 19,390,002</u>	<u>\$ 651,308</u>	<u>\$ 20,041,310</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF BOARD OF EDUCATION EXPENDITURES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2022**  
**(NON-GAAP BUDGETARY BASIS)**

	<u>Original Appropriation</u>	<u>Amended Appropriation</u>	<u>Actual Expenditures and Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
General Control	\$ 2,140,669	\$ 2,097,227	\$ 2,097,227	\$ -
Instruction	45,567,691	45,883,512	45,883,512	-
Health Services	720,313	777,051	777,051	-
Transportation	2,789,676	2,749,605	2,749,605	-
Operation of School Plant	4,957,857	5,104,000	5,104,000	-
Maintenance of Schools	1,236,649	1,170,296	1,170,296	-
Employee Pension and Insurance	14,245,726	14,036,193	14,036,193	-
Food Services	8,896	8,896	8,896	-
Student Activities	675,906	742,657	742,657	-
Community Service	32,563	29,481	29,481	-
New and Replaced Equipment	88,984	-	-	-
Tuition to Other Schools	1,417,000	1,956,517	1,956,517	-
Nonpublic Schools	<u>564,650</u>	<u>564,650</u>	<u>547,113</u>	<u>17,537</u>
Subtotal	74,446,580	75,120,085	75,102,548	17,537
Transfers to CNR Funds	<u>(550,300)</u>	<u>(550,300)</u>	<u>(550,300)</u>	<u>-</u>
Total Expenditures	<u><u>\$ 73,896,280</u></u>	<u><u>\$ 74,569,785</u></u>	<u><u>\$ 74,552,248</u></u>	<u><u>\$ 17,537</u></u>

**NONMAJOR GOVERNMENTAL FUNDS**

## SPECIAL REVENUE FUNDS

Special revenue funds are used to account for proceeds of several revenue sources that are legally restricted to expenditures for specific purposes. The Town's special revenue funds are:

**Residential Rental Properties** - to account for rental revenues and the maintenance and capital expenditures in maintaining the Town owned residential properties.

**Simsbury Farms Fund** - to account for user revenues associated with the Simsbury Farms Recreation Facility and the associated expenditures.

**General Government Program Fund** - includes the following programs:

- **Preservation of Historic Documents** - to account for, in the Town Clerk's office, additional revenues collected, grant revenues received and expenditures to preserve land records pursuant to Public Act No. 00-146.
- **LOCIP** - to account for document fees collected by Town Clerk's office to be used for expenditures that qualify under the State Local Capital Improvement (LOCIP) grants.
- **Ellsworth Fund** - to be used for the beautification of the main streets of the Town of Simsbury, particularly Hopmeadow Street and/or expenses relating to the Planning Commission.

**Public Safety Program Fund** - includes the following programs:

- **Narcotics Task Force** - to account for state grants for narcotic enforcement.
- **Police Dare Program** - to account for state grants for narcotic education.
- **Local Law Enforcement Block Grant** - to account for local law enforcement block grant from the State of Connecticut Office of Policy and Management and the United States Department of Justice. Expenditures are for public safety equipment not otherwise budgeted for in the public safety operating budget.
- **Police Vehicles** - to account for revenues associated with the sale of police vehicles and funding from the General Fund budget to be used for the purchase of new police vehicles.
- **Police Special Duty** - to account for revenues and expenditures for police officers special duty for outside organizations.
- **Police Community Services Fund** - to account for police grants, donations, charges for fingerprint services and programs including: Project Lifesaver, Self-Defense Classes, Police Cadets, and Heroes & Hounds.

**Planning and Development Program Fund** - to account for all financial resources of the community development block grant and the small cities community development block grant.

## SPECIAL REVENUE FUNDS

**Facilities Management Program Fund** - includes the following programs:

- **Town Aid Fund** - to account for state town aid road grants and related expenses to town roads.
- **Eno Memorial Hall** - to account for the revenue from the settlement of the Kenessat painting and the expenditures for capital improvements and maintenance for the Eno Memorial Hall building.
- **Antoinette Eno Wood** - to account for the distribution of Trust's interest income to the Town and expenses related in maintaining Eno Memorial Hall. The assets are held in a separate trust and are not in the Town's name.
- **Horace Belden Income** - to account for the distribution of Trust's interest income to the Town and expenses related in maintaining town roads. The assets are held in a separate trust and are not in the Town's name.
- **Pease Cemetery Trust** - to maintain the Pease and Shaw cemetery lots.

**Health and Welfare Program Fund** - includes the following programs:

- **Social Workers Contingency** - to account for donations and gifts and associated expenses related for the well-being of town citizens in need of assistance.
- **Clean Energy Task Force** - to account for grants and donations to be expended per the charge of the Clean Energy Task Force.
- **Expanded Dial-A-Ride** - to account for grant and expenditures related to an expanded dial-a-ride service to the elderly and disabled residents of program.
- **Senior Center** - to account for donations and expenses related to senior center programs.
- **Youth Services** - to account for grant and expenditures related to youth services.
- **Julia Darling Income** - to account for the distribution of Trust's interest income to the Town and expenses related to the well-being of Town citizens in need of assistance. The assets are held in a separate trust and are not in the Town's name.
- **Kate Southwell Income** - to account for the distribution of Trust's interest income to the Town and expenses related to the well-being of Town citizens, excluding citizens of Tariffville, in need of assistance. The assets are held in a separate trust and are not in the Town's name.
- **Mary Schneider Memorial** - to account for donations to the Town and expenses related to the well-being of Town citizens in need of assistance.

## SPECIAL REVENUE FUNDS

**Culture and Recreation Program Fund** - includes the following program:

- **Library** - to account for donations, memorial gifts and miscellaneous grants and expenses related to the operations of the library.
- **Dog Park** - to account for donations and expenses related to the operations of the dog park.
- **Simsbury 350<sup>th</sup>** - to account for donations, grants and expenditures associated with the celebrations being held in honor of the Town's 350<sup>th</sup> anniversary.
- **Field Recreation Fund** - to account for charges for services and expenditures associated with the maintenance of the athletic fields.
- **Simsbury Try-Athlon** - to account for donations and expenditures associated with the annual Try-Athlon event.
- **Simsbury Celebrates** - to account for donations and expenditures associated with the annual Simsbury Celebrates event.

**Sewer Assessment Fund** - to account for all financial resources extending sewers within the Town of Simsbury.

**Cafeteria** - to account for the operation of all cafeterias for the public school system.

**State and Federal Education Grants** - to account for specially financed education programs under grants received from the Federal Government and the State of Connecticut.

**Student Activities** - to account for the various student activities and clubs.

**Town and BOE Flex Spending** - allows employees to use payroll deductions to fund an individual flex spending account for dependent care or medical expenses. Reimbursements are paid from the account by a third-party administrator in accordance with IRS regulations.

**Department of Continuing Education** - account for activities of continuing education programs.

**Enrichment and Extended Day Fund** - to account for enrichment and extended day activities.

### Capital Project Funds

Capital project funds are used to account for financial resources that are restricted or committed for capital outlays including the acquisition or construction of capital facilities and other capital assets.

**Capital and Nonrecurring Expenditures Fund** - to account for equipment purchases and other nonrecurring capital expenditures.

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	Special Revenue Funds						
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Planning and Development Program Fund	Facilities Management Program Fund	Health and Welfare Program Fund
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 440,167	\$ 1,142,068	\$ 138,565	\$ 75,167	\$ 309,894	\$ 539,644	\$ 321,560
Receivables:							
Accounts	-	120,578	7,753	71,401	166,920	66,016	30,297
Special Assessments	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Prepaid Items	-	2,099	148	-	-	-	2,895
<b>Total Assets</b>	<b><u>\$ 440,167</u></b>	<b><u>\$ 1,264,745</u></b>	<b><u>\$ 146,466</u></b>	<b><u>\$ 146,568</u></b>	<b><u>\$ 476,814</u></b>	<b><u>\$ 605,660</u></b>	<b><u>\$ 354,752</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 10,796	\$ 145,556	\$ 3,901	\$ 4,039	\$ -	\$ 57,530	\$ 3,993
Due to Other Funds	-	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-
Unearned Revenue	-	366,180	-	-	-	-	9,903
<b>Total Liabilities</b>	<b><u>10,796</u></b>	<b><u>511,736</u></b>	<b><u>3,901</u></b>	<b><u>4,039</u></b>	<b><u>-</u></b>	<b><u>57,530</u></b>	<b><u>13,896</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred Inflows Related to Leases	-	106,926	-	-	145,031	-	-
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	21,739	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>106,926</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>166,770</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>							
Nonspendable	-	2,099	148	-	-	-	2,895
Restricted	-	-	-	-	-	533,370	82,154
Committed	429,371	643,984	142,417	142,529	310,044	14,760	255,807
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b><u>429,371</u></b>	<b><u>646,083</u></b>	<b><u>142,565</u></b>	<b><u>142,529</u></b>	<b><u>310,044</u></b>	<b><u>548,130</u></b>	<b><u>340,856</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 440,167</u></b>	<b><u>\$ 1,264,745</u></b>	<b><u>\$ 146,466</u></b>	<b><u>\$ 146,568</u></b>	<b><u>\$ 476,814</u></b>	<b><u>\$ 605,660</u></b>	<b><u>\$ 354,752</u></b>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022**

	Special Revenue Funds					
	Culture and Recreation Program Fund	Sewer Assessment Fund	Cafeteria	State and Federal Education Grants	Student Activity	Flex Spending
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 139,154	\$ 212,300	\$ -	\$ 492,313	447,237	\$ 31,645
Receivables:						
Accounts	-	-	3,405	-	-	-
Special Assessments	-	766,874	-	-	-	-
Due from Other Governments	-	-	411,836	296,155	-	-
Supplies	-	-	48,997	-	-	-
Prepaid Items	-	-	-	844	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 139,154</u>	<u>\$ 979,174</u>	<u>\$ 464,238</u>	<u>\$ 789,312</u>	<u>\$ 447,237</u>	<u>\$ 31,645</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 4,562	\$ -	\$ 17,540	\$ 689,755	\$ -	\$ -
Due to Other Funds	-	-	173,627	-	120,632	5,000
Due to Other Governments	-	-	-	33,995	-	-
Unearned Revenue	-	-	158,920	65,139	-	-
Total Liabilities	<u>4,562</u>	<u>-</u>	<u>350,087</u>	<u>788,889</u>	<u>120,632</u>	<u>5,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Inflows Related to Leases	-	-	-	-	-	-
Unavailable Revenue - Special Assessments	-	766,874	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>766,874</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	48,997	844	-	-
Restricted	-	-	-	-	326,605	26,645
Committed	134,592	212,300	65,154	-	-	-
Unassigned	-	-	-	(421)	-	-
Total Fund Balances	<u>134,592</u>	<u>212,300</u>	<u>114,151</u>	<u>423</u>	<u>326,605</u>	<u>26,645</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 139,154</u>	<u>\$ 979,174</u>	<u>\$ 464,238</u>	<u>\$ 789,312</u>	<u>\$ 447,237</u>	<u>\$ 31,645</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022**

	Special Revenue Funds		Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>	Continuing Education Fund	Enrichment and Extended Day Fund		
Cash and Cash Equivalents	\$ 181,303	\$ 48,580	\$ 1,764,810	\$ 6,284,407
Receivables:				
Accounts	-	-	-	466,370
Special Assessments	-	-	-	766,874
Due from Other Governments	-	-	-	707,991
Supplies	-	-	-	48,997
Prepaid Items	-	-	-	5,986
	<u>\$ 181,303</u>	<u>\$ 48,580</u>	<u>\$ 1,764,810</u>	<u>\$ 8,280,625</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 24,976	\$ 962,648
Due to Other Funds	-	-	-	299,259
Due to Other Governments	-	-	-	33,995
Unearned Revenue	-	-	-	600,142
Total Liabilities	<u>-</u>	<u>-</u>	<u>24,976</u>	<u>1,896,044</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Leases	-	-	-	251,957
Unavailable Revenue - Special Assessments	-	-	-	766,874
Unavailable Revenue - Loans Receivable	-	-	-	21,739
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,040,570</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	54,983
Restricted	181,303	48,580	-	1,198,657
Committed	-	-	1,739,834	4,090,792
Unassigned	-	-	-	(421)
Total Fund Balances	<u>181,303</u>	<u>48,580</u>	<u>1,739,834</u>	<u>5,344,011</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 181,303</u>	<u>\$ 48,580</u>	<u>\$ 1,764,810</u>	<u>\$ 8,280,625</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds						
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Planning and Development Program Fund	Facilities Management Program Fund	Health and Welfare Program Fund
Rental of Town-Owned Property							
<b>REVENUES</b>							
Property taxes							
Intergovernmental	\$ -	\$ -	\$ 14,430	\$ -	\$ -	\$ 377,467	\$ 25,052
Charges for Goods and Services	71,338	2,292,745	66,190	443,477	-	-	-
Rental of Town-Owned Property	-	6,365	-	-	150	-	-
Investment Income (Loss)	1,281	-	113	-	-	445	111
Assessments	-	-	-	-	-	-	-
Other	-	2,310	-	35,206	27,900	108,509	172,808
Total Revenues	<u>72,619</u>	<u>2,301,420</u>	<u>80,733</u>	<u>478,683</u>	<u>28,050</u>	<u>486,421</u>	<u>197,971</u>
<b>EXPENDITURES</b>							
Current Operating:							
General Government	-	-	78,223	-	-	-	-
Public Safety	-	-	-	279,679	-	-	-
Facility Management	37,994	-	-	-	-	76,361	-
Culture and Recreation	-	1,943,607	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	132,855
Education	-	-	-	-	-	-	-
Capital Outlay	-	1,607	-	-	-	-	2,733
Debt Service	8,522	-	-	-	-	-	-
Total Expenditures	<u>46,516</u>	<u>1,945,214</u>	<u>78,223</u>	<u>279,679</u>	<u>-</u>	<u>76,361</u>	<u>135,588</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	26,103	356,206	2,510	199,004	28,050	410,060	62,383
<b>OTHER FINANCING SOURCES</b>							
Transfers In	-	152,195	-	-	-	11,728	18,480
Transfers Out	-	(69,500)	-	(319,469)	(8,826)	(697,750)	(35,900)
Total Other Financing Sources	<u>-</u>	<u>82,695</u>	<u>-</u>	<u>(319,469)</u>	<u>(8,826)</u>	<u>(686,022)</u>	<u>(17,420)</u>
<b>NET CHANGE IN FUND BALANCES</b>	26,103	438,901	2,510	(120,465)	19,224	(275,962)	44,963
Fund Balances - Beginning of Year	<u>403,268</u>	<u>207,182</u>	<u>140,055</u>	<u>262,994</u>	<u>290,820</u>	<u>824,092</u>	<u>295,893</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 429,371</u>	<u>\$ 646,083</u>	<u>\$ 142,565</u>	<u>\$ 142,529</u>	<u>\$ 310,044</u>	<u>\$ 548,130</u>	<u>\$ 340,856</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds					
	Culture and Recreation Program Fund	Sewer Assessment Fund	Cafeteria	State and Federal Education Grants	Student Activity	Flex Spending
<b>REVENUES</b>						
Property taxes						
Intergovernmental	\$ 17,033	\$ -	\$ 2,183,480	\$ 6,895,543	\$ -	\$ -
Charges for Goods and Services	1,808	-	136,112	-	1,132,442	115,086
Rental of Town-Owned Property	-	-	-	-	-	-
Investment Income (Loss)	-	2,016	5	-	-	-
Assessments	-	152,261	-	-	-	-
Other	62,980	13,525	5	-	-	-
Total Revenues	<u>81,821</u>	<u>167,802</u>	<u>2,319,602</u>	<u>6,895,543</u>	<u>1,132,442</u>	<u>115,086</u>
<b>EXPENDITURES</b>						
Current Operating:						
General Government	-	-	-	-	-	125,339
Public Safety	-	-	-	-	-	-
Facility Management	-	-	-	-	-	-
Culture and Recreation	111,905	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Education	-	-	1,841,769	6,895,120	1,206,037	-
Capital Outlay	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	<u>111,905</u>	<u>-</u>	<u>1,841,769</u>	<u>6,895,120</u>	<u>1,206,037</u>	<u>125,339</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(30,084)	167,802	477,833	423	(73,595)	(10,253)
<b>OTHER FINANCING SOURCES</b>						
Transfers In	2,250	-	-	-	-	-
Transfers Out	-	(1,566,500)	(195,027)	-	-	-
Total Other Financing Sources	<u>2,250</u>	<u>(1,566,500)</u>	<u>(195,027)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(27,834)	(1,398,698)	282,806	423	(73,595)	(10,253)
Fund Balances - Beginning of Year	<u>162,426</u>	<u>1,610,998</u>	<u>(168,655)</u>	<u>-</u>	<u>400,200</u>	<u>36,898</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 134,592</u>	<u>\$ 212,300</u>	<u>\$ 114,151</u>	<u>\$ 423</u>	<u>\$ 326,605</u>	<u>\$ 26,645</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds		Capital and Nonrecurring Expenditures Fund	Interfund Elimination	Total Nonmajor Governmental Funds
	Continuing Education Fund	Enrichment and Extended Day Fund			
<b>REVENUES</b>					
Property taxes					
Intergovernmental	\$ -	\$ -	\$ 627	\$ -	\$ 9,513,632
Charges for Goods and Services	698,623	591,141	-	-	5,548,962
Rental of Town-Owned Property	-	-	-	-	6,515
Investment Income (Loss)	-	-	-	-	3,971
Assessments	-	-	-	-	152,261
Other	-	-	-	-	423,243
Total Revenues	<u>698,623</u>	<u>591,141</u>	<u>627</u>	<u>-</u>	<u>15,648,584</u>
<b>EXPENDITURES</b>					
Current Operating:					
General Government	-	-	-	-	203,562
Public Safety	-	-	-	-	279,679
Facility Management	-	-	-	-	114,355
Culture and Recreation	-	-	-	-	2,055,512
Health and Welfare	-	-	-	-	132,855
Education	800,646	593,257	-	-	11,336,829
Capital Outlay	-	-	2,427,438	-	2,431,778
Debt Service	-	-	-	-	8,522
Total Expenditures	<u>800,646</u>	<u>593,257</u>	<u>2,427,438</u>	<u>-</u>	<u>16,563,092</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(102,023)	(2,116)	(2,426,811)	-	(914,508)
<b>OTHER FINANCING SOURCES</b>					
Transfers In	-	-	2,685,975	(537,030)	2,333,598
Transfers Out	-	-	(214,551)	537,030	(2,570,493)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>2,471,424</u>	<u>-</u>	<u>(236,895)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(102,023)	(2,116)	44,613	-	(1,151,403)
Fund Balances - Beginning of Year	<u>283,326</u>	<u>50,696</u>	<u>1,695,221</u>	<u>-</u>	<u>6,495,414</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 181,303</u>	<u>\$ 48,580</u>	<u>\$ 1,739,834</u>	<u>\$ -</u>	<u>\$ 5,344,011</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**  
**(NON-GAAP BUDGETARY BASIS)**

	Residential Rental Properties				Simsbury Farms Fund			
	Budget		Actual	Variance with Final Budget Positive (Negative)	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
<b>REVENUES</b>								
Charges for Goods and Services	\$ -	\$ -	\$ -	\$ -	\$ 1,981,043	\$ 1,981,043	\$ 2,273,595	\$ 292,552
Rental of Town-Owned Property	72,940	72,940	72,619	(321)	26,500	26,500	27,825	1,325
Total Revenues	<u>72,940</u>	<u>72,940</u>	<u>72,619</u>	<u>(321)</u>	<u>2,007,543</u>	<u>2,007,543</u>	<u>2,301,420</u>	<u>293,877</u>
<b>EXPENDITURES</b>								
Current:								
Facility Management	40,000	40,000	37,994	2,006	-	-	-	-
Culture and Recreation	-	-	-	-	2,159,666	2,189,172	2,013,540	175,632
Debt Service	8,522	8,522	8,522	-	-	-	-	-
Total Expenditures	<u>48,522</u>	<u>48,522</u>	<u>46,516</u>	<u>2,006</u>	<u>2,159,666</u>	<u>2,189,172</u>	<u>2,013,540</u>	<u>175,632</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	24,418	24,418	26,103	1,685	(152,123)	(181,629)	287,880	469,509
<b>OTHER FINANCING SOURCES</b>								
Transfers from Other Funds	-	-	-	-	151,715	151,715	152,195	480
Transfers to Other Funds	-	-	-	-	-	-	-	-
Net Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,715</u>	<u>151,715</u>	<u>152,195</u>	<u>480</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 24,418</u>	<u>\$ 24,418</u>	26,103	<u>\$ 1,685</u>	<u>\$ (408)</u>	<u>\$ (29,914)</u>	440,075	<u>\$ 469,989</u>
Fund Balances - Beginning of Year			<u>403,268</u>				<u>203,142</u>	
<b>FUND BALANCES - END OF YEAR</b>			<u>\$ 429,371</u>				<u>\$ 643,217</u>	

**INTERNAL SERVICE FUNDS**

## INTERNAL SERVICE FUNDS

**PPO/HDHP/HMO** - This fund is used to account for premiums and claims relating to the self-insurance health coverage for those Town and Board of Education current employees who elected to receive health coverage under the CIGNA PPO (Preferred Provided Option Plan), the CIGNA HDHP (High Deductible Health Plan) or the CIGNA HMO (In Network Only Option) Plan. For Town employees, that can include medical/prescription and/or dental coverage. For Board of Education employees, that includes just medical/prescription coverage.

**Dental** - This fund is used to account for premiums and claims relating to the self-insurance dental coverage for current Board of Education employees only who have elected to receive dental coverage under the MetLife Plan.

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 4,126,612	\$ 768,905	\$ 4,895,517
Accounts receivable, net	287,802		287,802
Prepaid Items	486,000	-	486,000
Total Current Assets	<u>4,900,414</u>	<u>768,905</u>	<u>5,669,319</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable and Accrued Items	45,569	4,026	49,595
Noncurrent Liabilities:			
Claim Incurred but Not Reported	<u>1,014,100</u>	<u>26,000</u>	<u>1,040,100</u>
Total Liabilities	<u>1,059,669</u>	<u>30,026</u>	<u>1,089,695</u>
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt			
Unrestricted	<u>\$ 3,840,745</u>	<u>\$ 738,879</u>	<u>\$ 4,579,624</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2022**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 14,927,019	\$ 539,059	\$ 15,466,078
Other Operating Revenue	1,353,439	-	1,353,439
Miscellaneous	470	-	470
Total Operating Revenues	<u>16,280,928</u>	<u>539,059</u>	<u>16,819,987</u>
<b>OPERATING EXPENSES</b>			
Claims Incurred	15,535,301	427,872	15,963,173
Administration and Stop Loss			
Insurance Fees	<u>1,313,785</u>	<u>47,933</u>	<u>1,361,718</u>
Total Operating Expenses	<u>16,849,086</u>	<u>475,805</u>	<u>17,324,891</u>
<b>CHANGE IN NET POSITION</b>	(568,158)	63,254	(504,904)
Net Position - Beginning of Year	<u>4,408,903</u>	<u>675,625</u>	<u>5,084,528</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 3,840,745</u>	<u>\$ 738,879</u>	<u>\$ 4,579,624</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
JUNE 30, 2022**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 15,921,126	\$ 539,059	\$ 16,460,185
Payments to Employees	(16,726,853)	(470,779)	(17,197,632)
Net Cash Provided (Used) by Operating Activities	<u>(805,727)</u>	<u>68,280</u>	<u>(737,447)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(805,727)	68,280	(737,447)
Cash and Cash Equivalents - Beginning of Year	<u>4,932,339</u>	<u>700,625</u>	<u>5,632,964</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 4,126,612</u></u>	<u><u>\$ 768,905</u></u>	<u><u>\$ 4,895,517</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (568,158)	\$ 63,254	\$ (504,904)
Change in Assets and Liabilities:			
(Increase) decrease in accounts receivable	(287,802)	-	(287,802)
(Increase) Decrease in Prepaid Items	(72,000)	-	(72,000)
Increase (Decrease) in Accounts Payable	41,033	4,026	45,059
Increase (Decrease) in Claims Payable	81,200	1,000	82,200
Total Adjustments	<u>(237,569)</u>	<u>5,026</u>	<u>(232,543)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (805,727)</u></u>	<u><u>\$ 68,280</u></u>	<u><u>\$ (737,447)</u></u>

## **FIDUCIARY FUNDS**

## FIDUCIARY FUNDS

Fiduciary Fund types are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, or others. The Town's Fiduciary Funds are as follows:

### **Trust Funds:**

- **Pension Trust Fund** - to account for the activities of the Town's defined benefit plans which accumulate resources for pension benefit payments to qualified employees.
- **Other Postemployment Benefit Trust Fund** - to account for the activities for both Town and Board of Education for other postemployment benefits (e.g., health insurance, life insurance) which accumulate resources for other postemployment benefit payments to qualified employees.

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**TRUST FUNDS**  
**JUNE 30, 2022**

	<u>Pension Trust Fund</u>	<u>Other Postemployment Benefit Trust Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 654,328	\$ 668,073	\$ 1,322,401
Investments, at Fair Value:			
Mutual Funds	66,658,287	19,269,455	85,927,742
Private Equity Funds	4,978,691	-	4,978,691
Accounts Receivable	84,096	-	84,096
Total Assets	<u>72,375,402</u>	<u>19,937,528</u>	<u>92,312,930</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>-</u>	<u>21,048</u>	<u>21,048</u>
<b>NET POSITION</b>	<u><u>\$ 72,375,402</u></u>	<u><u>\$ 19,916,480</u></u>	<u><u>\$ 92,291,882</u></u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**TRUST FUNDS**  
**JUNE 30, 2022**

	Pension Trust Fund	Other Postemployment Benefit Trust Fund	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ADDITIONS:</b>			
Contributions:			
Employer	\$ 3,635,459	\$ 954,082	\$ 4,589,541
Plan Members	848,145	133,591	981,736
Total Contributions	<u>4,483,604</u>	<u>1,087,673</u>	<u>5,571,277</u>
Investment Earnings:			
Net Change in Fair Value of Investments	(11,665,396)	(3,467,989)	(15,133,385)
Interest	1,915,328	635,128	2,550,456
Total Investment Earnings	<u>(9,750,068)</u>	<u>(2,832,861)</u>	<u>(12,582,929)</u>
Less Investment Expenses:			
Investment Management Fees	(68,593)	-	(68,593)
Net Investment Earnings	<u>(9,818,661)</u>	<u>(2,832,861)</u>	<u>(12,651,522)</u>
Total Additions	(5,335,057)	(1,745,188)	(7,080,245)
<b>DEDUCTIONS:</b>			
Benefits	5,193,032	954,082	6,147,114
Administrative Expense	102,593	50,970	153,563
Total Deductions	<u>5,295,625</u>	<u>1,005,052</u>	<u>6,300,677</u>
<b>CHANGE IN NET POSITION</b>	(10,630,682)	(2,750,240)	(13,380,922)
Net Position - Beginning of Year	<u>83,006,084</u>	<u>22,666,720</u>	<u>105,672,804</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 72,375,402</u>	<u>\$ 19,916,480</u>	<u>\$ 92,291,882</u>

## **OTHER SCHEDULES**

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING  
YEAR ENDED JUNE 30, 2022**

Grand List Year	Balance	Current	Lawful Corrections		Transfers to Suspense	Adjusted	Collections	Interest	Liens	Other	Balance
	July 1, 2021		Levy	Additions							* Deductions
2020	\$ -	\$ 96,152,911	\$ 1,467,647	\$ 438,555	\$ -	\$ 97,182,003	\$ 96,498,632	\$ 164,828	\$ 456	\$ 13,854	\$ 683,371
2019	502,164	-	15,502	11,801	83,997	421,868	247,162	58,356	864	2,394	174,706
2018	201,985	-	27,674	918	1,453	227,288	140,700	51,568	552	1,743	86,588
2017	93,677	-	27,718	1,742	225	119,428	70,969	34,031	216	1,466	48,459
2016	46,616	-	24,583	823	-	70,376	24,197	27,424	24	747	46,179
2015	41,652	-	3,133	-	-	44,785	16,054	4,485	24	650	28,731
2014	18,759	-	2,123	4	-	20,878	2,119	3,283	-	365	18,759
2013	21,903	-	2,277	717	-	23,463	1,560	2,031	-	381	21,903
2012	17,185	-	437	-	-	17,622	709	637	24	100	16,913
2011	17,597	-	631	1	-	18,227	630	1,045	-	190	17,597
2010	8,018	-	218	218	-	8,018	-	-	-	-	8,018
2009	8,059	-	218	218	-	8,059	-	466	-	5	8,059
2008	5,683	-	249	2	-	5,930	247	632	-	47	5,683
2007	5,088	-	97	-	-	5,185	97	289	-	45	5,088
2006	4,846	-	156	-	-	5,002	156	407	-	44	4,846
<b>Total</b>	<b>\$ 993,232</b>	<b>\$ 96,152,911</b>	<b>\$ 1,572,663</b>	<b>\$ 454,999</b>	<b>\$ 85,675</b>	<b>\$ 98,178,132</b>	<b>\$ 97,003,232</b>	<b>\$ 349,482</b>	<b>\$ 2,160</b>	<b>\$ 22,031</b>	<b>\$ 1,174,900</b>

\* Motor vehicle supplement taxes totaling \$1,359,768 are included in additions.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF CHANGES IN SEWER USER CHARGES RECEIVABLE  
YEAR ENDED JUNE 30, 2022**

<u>Grand List Year</u>	<u>Balance July 1, 2021</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Balance June 30, 2022</u>
2021	\$ -	\$ 3,091,656	\$ 35,100	\$ 3,104,249	\$ 22,507
2020	22,187	-	(607)	16,359	5,221
2019	8,354	-	-	5,546	2,808
2018	4,999	-	-	2,883	2,116
2017	789	-	-	-	789
2016	670	-	-	-	670
2015	335	-	-	-	335
<b>Total</b>	<b><u>\$ 37,334</u></b>	<b><u>\$ 3,091,656</u></b>	<b><u>\$ 34,493</u></b>	<b><u>\$ 3,129,037</u></b>	<b><u>\$ 34,446</u></b>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF CHANGES IN SEWER ASSESSMENT RECEIVABLE  
YEAR ENDED JUNE 30, 2022**

Phases	Balance July 1, 2021	Adjustments	Principal	Interest	Lien Fees	Refunds	Balance June 30, 2022
II	\$ 24,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,073
VI	2,938	-	-	-	-	-	2,938
IX	16,883	-	-	-	-	-	16,883
X	21,153	-	-	-	-	-	21,153
XI	8,044	-	-	-	-	-	8,044
XII	107,826	-	35,942	-	-	-	71,884
XIV	13,100	-	2,183	-	-	-	10,917
XV	283,252	-	61,423	-	24	-	221,829
XVI	29,381	-	4,197	-	-	-	25,184
XVII	412,486	-	48,517	73	-	-	363,969
Total	<u>\$ 919,136</u>	<u>\$ -</u>	<u>\$ 152,262</u>	<u>\$ 73</u>	<u>\$ 24</u>	<u>\$ -</u>	<u>\$ 766,874</u>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
YEAR ENDED JUNE 30, 2022**

Revenue from Taxation for the Year Ended June 30, 2021:

Taxes	\$ 93,507,809
Interest and Lien Fees	300,471
Base	<u>\$ 93,808,280</u>

	General Purpose	Schools	Sewers	Urban Renewal
Debt Limitation:				
2-1/4 Times Base	\$ 211,068,630	\$ -	\$ -	\$ -
4-1/2 Times Base	-	422,137,260	-	-
3-3/4 Times Base	-	-	351,781,050	-
3-1/4 Times Base	-	-	-	304,876,910
Total Debt Limitation	<u>211,068,630</u>	<u>422,137,260</u>	<u>351,781,050</u>	<u>304,876,910</u>
Indebtedness:				
Bonds and Loans Payable	13,557,349	22,342,219	5,580,000	-
Bonds Authorized and Unissued	<u>5,338,808</u>	<u>46,712,043</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>18,896,157</u>	<u>69,054,262</u>	<u>5,580,000</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 192,172,473</u>	<u>\$ 353,082,998</u>	<u>\$ 346,201,050</u>	<u>\$ 304,876,910</u>
Total Capacity of Borrowing (7 Times Base)		\$ 656,657,960		
Total Present Indebtedness		<u>93,530,419</u>		
Margin for Additional Borrowing		<u>\$ 563,127,541</u>		

## **STATISTICAL SECTION**

## STATISTICAL SECTION INFORMATION

This part of the Town of Simsbury, Connecticut's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Statistical section information is presented in the following categories:

**Financial Trends** – These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

**Revenue Capacity** – These schedules contain information to help the reader assess the Town's most significant local revenue source, property taxes.

**Debt Capacity** – These schedules present information to help the reader assess the affordability of the Town's current level of outstanding debt and the Town's ability to issue additional debt in the future.

**Demographic and Economic Information** – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities takes place.

**Operating Information** – These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

**TOWN OF SIMSBURY, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities:										
Net Investment in Capital Assets	\$ 93,069,141	\$ 97,320,295	\$ 100,313,724	\$ 103,429,189	\$ 98,938,703	\$ 104,065,426	\$ 97,592,854	\$ 104,095,766	\$ 102,108,821	\$ 111,009,498
Restricted:										
Grants	-	-	-	-	-	-	-	-	1,729,407	1,536,278
Education Trusts	-	-	-	-	-	-	-	-	-	59,032
Facility Management Trusts	-	-	-	-	-	-	-	-	-	186,524
Health and Welfare Trusts	-	-	-	-	-	-	-	-	-	82,154
Other Purposes	-	-	-	-	-	-	-	-	-	583,133
Unrestricted	36,628,027	21,526,646 *	20,323,545	19,400,044	8,236,636 **	6,760,932	12,273,505	13,055,298 ***	18,684,041 ***	12,598,874
 Total Governmental Activities										
Net Position	<u>\$ 129,697,168</u>	<u>\$ 118,846,941</u>	<u>\$ 120,637,269</u>	<u>\$ 122,829,233</u>	<u>\$ 107,175,339</u>	<u>\$ 110,826,358</u>	<u>\$ 109,866,359</u>	<u>\$ 117,151,064</u>	<u>\$ 122,522,269</u>	<u>\$ 126,055,493</u>

\* Restated for GASB 68  
 \*\* Restated for GASB 75  
 \*\*\* Restated for GASB 84

**TOWN OF SIMSBURY, CONNECTICUT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 2,343,479	\$ 2,205,896	\$ 1,977,419	\$ 2,786,959	\$ 2,851,855	\$ 2,634,618	\$ 2,802,078	\$ 3,538,892	\$ 3,109,289	\$ 4,922,143
Planning and Development	960,662	596,042	1,173,028	617,505	1,363,689	1,660,834	1,014,484	687,491	751,246	623,913
Public Safety	5,492,049	5,007,354	5,887,147	5,437,865	5,458,475	5,559,388	6,058,746	5,707,706	6,092,548	6,482,826
Facility Management	8,934,586	8,266,613	9,017,445	10,847,069	13,455,187	8,530,110	9,385,514	10,401,802	9,547,697	13,015,366
Culture and Recreation	5,203,432	5,137,622	5,150,210	5,204,380	5,696,882	5,862,399	6,099,059	6,206,411	8,119,710	5,703,843
Health and Welfare	864,456	868,466	919,341	915,881	899,974	909,646	965,885	998,310	974,252	986,983
Board of Education	77,356,625	84,666,310	83,402,825	84,996,362	92,918,242	95,466,144	92,106,333	101,356,331	113,993,273	104,809,005
Debit Service Interest	1,199,014	1,019,312	797,900	645,311	854,362	553,117	761,825	942,031	123,487	773,331
Total Governmental Activities Expenses	102,354,303	107,767,615	108,325,315	111,451,332	123,498,666	121,176,256	119,193,924	129,838,974	142,711,502	137,317,410
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
General Government	799,556	760,330	762,490	882,767	904,172	861,158	803,803	980,762	1,218,097	1,356,076
Planning and Development	146,655	169,606	19,617	739,107	2,202	20	40	40	61,235	79,112
Public Safety	278,247	311,044	254,006	276,530	312,583	287,766	454,809	628,727	664,915	517,262
Facility Management	3,427,181	3,452,650	3,369,838	4,096,938	3,557,914	4,450,358	4,047,484	4,105,430	4,600,565	4,138,888
Culture and Recreation	1,710,717	1,748,704	1,797,383	1,907,459	1,733,275	1,694,672	1,498,999	1,788,231	1,855,922	2,317,281
Health and Welfare	14,335	8,675	2,320	2,876	1,464	365	1,875	2,537	598	533
Board of Education	1,263,693	1,139,274	1,160,212	869,848	878,295	979,761	967,066	1,279,122	2,955,973	3,224,777
Operating Grants and Contributions:										
General Government	1,075,530	334,574	215,448	213,374	1,023,774	586,655	329,563	210,520	592,814	3,511,170
Planning and Development	282,497	110,020	135,176	361,630	898,406	1,083,664	1,308,617	835,775	993,162	1,453,071
Public Safety	31,083	12,173	34,435	29,229	54,129	5,593	19,263	5,685	57,691	15,358
Facility Management	262,172	193,969	226,135	212,271	250,021	176,232	76,078	109,425	28,408	27,968
Culture and Recreation	74,989	624,762	135,523	108,773	178,219	138,070	43,307	42,786	15,507	42,186
Health and Welfare	248,981	237,750	209,240	236,228	204,394	192,154	390,954	133,511	49,271	59,103
Board of Education	16,125,579	17,681,269	15,783,990	17,177,726	22,786,889	24,230,927	15,991,807	27,752,657	36,882,930	22,347,838

**TABLE 2  
(CONTINUED)**

**TOWN OF SIMSBURY, CONNECTICUT  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Capital Grants and Contributions:										
General Government	-	-	-	-	-	-	-	-	-	-
Planning and Development	-	-	-	-	350,000	30,495	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Facility Management	499,380	541,351	888,334	767,121	383,902	751,231	510,734	723,731	1,565,437	697,277
Culture and Recreation	691,666	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Board of Education	451,140	-	64,872	17,128	72,604	-	83,082	3,118,298	768,208	1,060,825
Total Governmental Activities										
Revenues	27,383,401	27,326,151	25,059,019	27,899,005	33,592,243	35,469,121	26,527,481	41,717,237	52,310,733	40,848,725
Total Governmental Activities										
Net Expenses	(74,970,902)	(80,441,464)	(83,266,296)	(83,552,327)	(89,906,423)	(85,707,135)	(92,666,443)	(88,121,737)	(90,400,769)	(96,468,685)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes	81,741,250	83,574,205	84,031,217	84,703,120	85,768,365	87,415,877	88,730,412	92,013,447	93,530,124	97,605,341
Grants and Contributions Not										
Restricted to Specific Programs	315,020	333,164	307,788	197,363	195,890	187,541	116,910	122,048	136,603	301,359
Unrestricted Investment Earnings	54,591	71,233	(22,010)	336,375	120,444	387,674	794,773	770,446	216,796	39,727
Other General Revenues, Net	464,993	957,675	739,629	507,433	852,587	1,033,041	2,064,349	1,852,332	1,888,451	2,055,482
Total Primary Government	82,575,854	84,936,277	85,056,624	85,744,291	86,937,286	89,024,133	91,706,444	94,758,273	95,771,974	100,001,909
<b>CHANGE IN NET POSITION</b>										
Total Governmental Activities	\$ 7,604,952	\$ 4,494,813	\$ 1,790,328	\$ 2,191,964	\$ (2,969,137)	\$ 3,316,998	\$ (959,999)	\$ 6,636,536	\$ 5,371,205	\$ 3,533,224

**TOWN OF SIMSBURY, CONNECTICUT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	\$ 19,665	\$ -	\$ -	\$ -	\$ 14,663	\$ 61,835	\$ 35,789	\$ 104,649	\$ 158,914	\$ 69,409
Restricted	365,516	2,368	-	-	-	-	-	-	-	-
Committed	400,120	-	639,000	427,598	385,000	385,000	385,000	651,308	651,308	651,308
Assigned	374,590	21,309	183,461	1,787,133	1,542,894	1,967,056	228,239	372,549	215,191	280,215
Unassigned	10,840,687	11,611,521	11,870,091	11,247,572	12,272,378	14,380,222	16,460,519	17,775,774	16,955,367	19,040,378
Total General Fund	<u>\$ 12,000,578</u>	<u>\$ 11,635,198</u>	<u>\$ 12,692,552</u>	<u>\$ 13,462,303</u>	<u>\$ 14,214,935</u>	<u>\$ 16,794,113</u>	<u>\$ 17,109,547</u>	<u>\$ 18,904,280</u>	<u>\$ 17,980,780</u>	<u>\$ 20,041,310</u>
All Other Governmental Funds:										
Nonspendable	\$ 55,708	\$ 37,169	\$ 26,056	\$ 30,304	\$ 26,621	\$ 28,854	\$ 127,426	\$ 86,110	\$ 60,706	\$ 57,519
Restricted	1,387,975	1,724,023	1,454,961	1,599,957	1,341,471	1,181,529	1,478,410	1,434,315	1,707,668	1,257,689
Committed	11,181,861	10,317,052	12,701,558	10,145,328	14,923,557	9,505,284	16,603,434	12,235,194	25,547,280	16,306,277
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(255,602)	-	-	(705,063)	-	(656,795)	(194,371)	(857,754)	(213,091)	(421)
Total All Other Governmental Funds	<u>\$ 12,369,942</u>	<u>\$ 12,078,244</u>	<u>\$ 14,182,575</u>	<u>\$ 11,070,526</u>	<u>\$ 16,291,649</u>	<u>\$ 10,058,872</u>	<u>\$ 18,014,899</u>	<u>\$ 12,897,865</u>	<u>\$ 27,102,563</u>	<u>\$ 17,621,064</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>REVENUES</b>										
Property Taxes	\$ 81,850,788	\$ 83,460,141	\$ 83,958,850	\$ 84,535,118	\$ 85,638,921	\$ 87,613,101	\$ 88,687,364	\$ 91,966,373	\$ 93,537,721	\$ 97,389,009
Intergovernmental	19,910,015	19,289,241	17,879,660	19,293,730	26,100,771	21,516,886	25,153,451	28,562,227	28,006,482	31,836,208
Investment Income (Loss)	54,591	71,233	(22,010)	333,675	119,016	387,438	794,773	770,446	216,796	39,727
Charges for Goods and Services	3,970,212	3,826,011	3,766,179	3,738,193	3,637,248	3,641,451	3,518,601	4,402,885	6,426,210	7,071,373
Licenses and Permits	546,348	708,824	675,091	1,175,709	459,719	1,233,813	1,310,154	848,888	1,443,584	980,469
Rental of Town-Owned Property	163,356	171,087	151,472	137,767	132,302	144,562	156,406	141,472	82,500	168,732
Local Revenues	103,093	577,789	69,800	78,642	238,217	285,858	54,796	113,874	134,389	66,086
Assessments	2,857,375	2,737,195	2,688,513	2,908,891	3,128,191	3,194,543	2,734,119	3,277,730	3,307,627	3,282,183
Other	918,044	1,577,753	1,173,651	859,538	1,277,022	1,308,689	2,064,349	1,852,326	1,888,450	2,055,482
Total Revenues	110,373,822	112,419,274	110,341,206	113,061,263	120,731,407	119,326,341	124,474,013	131,936,221	135,043,759	142,889,269
<b>EXPENDITURES</b>										
Current:										
General Government	1,964,048	2,199,199	2,205,494	2,245,328	2,210,896	2,285,031	2,223,957	2,531,424	2,673,713	3,018,328
Planning and Development	844,237	704,150	491,362	551,342	1,276,962	803,785	947,587	542,324	556,501	633,434
Public Safety	4,426,304	4,440,427	4,366,285	4,558,452	4,735,609	4,872,353	5,120,078	5,379,825	5,420,205	6,287,412
Facility Management	5,671,060	5,862,713	5,727,133	5,690,540	5,855,240	6,124,464	6,252,699	6,088,114	6,300,602	6,574,468
Culture and Recreation	4,047,226	4,263,907	4,091,607	4,210,600	4,330,256	4,383,763	4,536,453	4,492,533	4,441,661	4,986,925
Health and Welfare	727,795	786,278	858,548	818,821	809,168	829,040	871,091	913,647	890,326	931,901
Fringe Benefits and Insurance	4,675,479	4,833,766	5,080,534	4,602,175	4,871,466	5,101,590	5,412,531	5,790,709	6,254,510	-
Education	75,661,224	78,987,017	76,446,257	78,891,667	85,375,951	82,761,898	87,252,148	89,137,384	93,391,081	102,376,895
Capital Outlay	6,180,583	3,440,988	6,725,454	6,925,221	10,500,504	9,283,800	6,362,324	23,212,039	12,072,467	17,724,027
Debit Service:										
Principal	5,879,971	6,453,974	6,533,165	6,043,138	6,178,314	5,173,903	4,435,003	5,226,427	5,430,874	6,018,274
Interest	1,257,711	1,103,933	947,530	866,277	864,972	980,049	1,003,459	1,226,037	1,408,635	1,758,574
Total Expenditures	111,335,638	113,076,352	113,473,369	115,403,561	127,009,338	122,599,676	124,417,330	144,540,463	138,840,575	150,310,238
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(961,816)	(657,078)	(3,132,163)	(2,342,298)	(6,277,931)	(3,273,335)	56,683	(12,604,242)	(3,796,816)	(7,420,969)

**TABLE 4  
(CONTINUED)**

**TOWN OF SIMSBURY, CONNECTICUT  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>OTHER FINANCING SOURCES</b>										
Proceeds from Capital Lease										
Proceeds from Sales of Bonds	\$ 5,638,019	\$ -	\$ 9,768,488	\$ -	\$ 12,251,686	\$ -	\$ 9,614,778	\$ 10,131,941	\$ 23,854,297	\$ -
Payments to Escrow Agents	-	-	(3,474,640)	-	-	-	-	-	(7,424,452)	-
Transfers Out	-	-	-	-	-	-	(1,400,000)	(850,000)	-	-
Total Other Financing Sources	<u>5,638,019</u>	<u>-</u>	<u>6,293,848</u>	<u>-</u>	<u>12,251,686</u>	<u>-</u>	<u>8,214,778</u>	<u>9,281,941</u>	<u>16,429,845</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	4,676,203	(657,078)	3,161,685	(2,342,298)	5,973,755	(3,273,335)	8,271,461	(3,322,301)	12,633,029	(7,420,969)
Fund Balance - Beginning of Year	<u>19,694,317</u>	<u>24,370,520</u>	<u>23,713,442</u>	<u>26,875,127</u>	<u>24,152,565</u> *	<u>30,126,320</u>	<u>26,852,985</u>	<u>35,124,446</u>	<u>32,450,314</u>	<u>45,083,343</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 24,370,520</u>	<u>\$ 23,713,442</u>	<u>\$ 26,875,127</u>	<u>\$ 24,532,829</u>	<u>\$ 30,126,320</u>	<u>\$ 26,852,985</u>	<u>\$ 35,124,446</u>	<u>\$ 31,802,145</u>	<u>\$ 45,083,343</u>	<u>\$ 37,662,374</u>
Debt Service as a Percentage to Noncapital Expenditures	6.63%	6.92%	6.91%	6.91%	5.79%	5.15%	4.74%	4.74%	5.23%	5.65%

\* Restated

**TOWN OF SIMSBURY, CONNECTICUT  
 ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)  
 (UNAUDITED)**

Fiscal Year	Real Property		All Land	Motor Vehicles	Personal Property	Tax Exempt Real Property Excluded	Total Taxable Assessed Value	Mill Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property								
2013	\$ 2,012,384	\$ 301,240	\$ 21,030	\$ 182,668	\$ 82,147	\$ 289,240	\$ 2,599,468	31.37%	\$ 3,505,330	74.20%
2014	1,697,766	260,396	17,465	179,800	79,240	301,195	2,234,667	37.29%	3,481,281	64.20%
2015	1,708,581	259,276	16,637	179,800	79,240	304,761	2,251,625	37.14%	3,577,008	62.90%
2016	1,714,665	258,610	15,617	184,456	95,823	300,668	2,268,971	37.00%	3,586,050	63.30%
2017	1,731,800	253,823	24,984	184,785	97,023	324,211	2,292,415	37.12%	3,600,147	63.70%
2018	1,749,693	224,283	29,170	190,931	83,777	331,443	2,277,854	38.76%	3,670,051	62.10%
2019	1,866,812	237,843	33,023	192,264	86,054	352,670	2,415,996	36.42%	3,451,702	70.00%
2020	1,889,218	245,516	26,715	192,843	88,296	353,020	2,442,436	37.32%	3,701,103	65.50%
2021	1,928,868	240,322	31,574	200,236	114,378	352,598	2,508,260	37.09%	3,775,735	66.40%
2022	1,951,847	248,012	28,634	214,631	139,229	366,412	2,582,353	37.41%	4,318,606	59.80%

Source: Town of Simsbury Assessor and State of Connecticut, Office of Policy and Management.

Note: The estimated actual taxable value is the Equalized Net Grant List as determined by the state of Connecticut. Office of Policy and Management. Properties in town are reassessed every five years per state statute. The last completed revaluation was for the fiscal year ended June 30, 2020. For the fiscal year ended 2022, the estimated actual taxable value is the sum of the real estate assessments divided 65.5%, plus the motor vehicle and personal property assessments divided by 70%.

Last revaluation was completed October 1, 2017.

**TOWN OF SIMSBURY, CONNECTICUT  
PRINCIPAL PROPERTY TAXPAYERS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List
Connecticut Light & Power	\$ 41,708,710	1	1.62 %	\$ 18,120,430	4	0.70 %
Simsbury Commons LLC	31,395,000	2	1.22	9,625,000	8	0.37
DWW Solar II LLC	24,278,410	3	0.94			
SL Simsbury LLC	24,079,462	4	0.93	32,375,000	2	1.25
Simsbury Developers LLC	21,061,740	5	0.82			
CA Senior Simsbury CT Property Owner LLC	20,160,000	6	0.78			
Dorset Crossing Apartments LLC	19,533,720	7	0.76			
Executive Risk Indemnity Inc.	16,473,460	8	0.64	19,986,020	3	0.77
Highcroft Simsbury LLC	15,383,410	9	0.60			
BW Mill Commons LLC	12,270,910	10	0.48			
Woodgreen Simsbury LLC				10,372,640	5	0.40
Simsbury Hopmeadow Street LLC				16,441,010	6	0.63
Hartford Life and Accident Ins. Company				45,005,603	1	1.73
Hoffman Phyllis W Trustee of Hoffman				9,784,490	7	0.38
Hoffman Enterprises Limited Partnership				8,088,710	9	0.31
Harco Property Services Inc				6,468,020	10	0.25
<b>Total</b>	<b>\$ 226,344,822</b>		<b>8.79 %</b>	<b>\$ 176,266,923</b>		<b>6.79 %</b>

Source: Town Assessor's office

**TOWN OF SIMSBURY, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 81,566,287	\$ 81,089,645	99.42 %	\$ 421,473	\$ 81,511,118	99.93 %
2014	83,294,253	82,960,550	99.60	330,292	83,290,842	100.00
2015	83,746,698	83,403,071	99.59	344,516	83,747,587	100.00
2016	84,403,852	83,954,704	99.47	408,994	84,363,698	99.95
2017	85,482,093	85,007,778	99.45	469,921	85,477,699	99.99
2018	87,249,801	86,727,571	99.40	489,239	87,216,810	99.96
2019	88,528,110	88,013,697	99.42	454,498	88,468,195	99.93
2020	91,863,738	91,299,235	99.39	473,297	91,772,532	99.90
2021	93,581,275	93,191,141	99.58	292,542	93,483,683	99.90
2022	97,182,001	96,498,632	99.30	-	96,498,632	99.30

Source: Town Tax Collector office and Finance office

**TOWN OF SIMSBURY, CONNECTICUT**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

Fiscal Year	General Bonded Debt				Percentage of Actual Taxable Value of Property (1)	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds		Clean Water Fund Loan	Total Primary Government			
	General Purpose	Schools					
2013	\$ 14,833,377	\$ 14,795,000	\$ 15,676,381	\$ 45,304,758	1.25 %	1.14 %	1.93
2014	12,448,221	11,800,279	14,715,929	38,964,429	1.11	0.90	1.66
2015	17,271,364	8,722,936	13,736,091	39,730,391	1.11	0.90	1.65
2016	13,807,003	5,888,215	12,736,475	32,431,693	0.88	0.58	1.30
2017	19,798,083	6,707,171	11,716,683	38,221,937	0.88	0.58	1.30
2018	17,382,173	4,756,389	10,676,307	32,814,869	0.89	0.61	1.32
2019	22,299,287	5,874,161	9,614,932	37,788,380	1.09	0.67	1.51
2020	18,741,040	15,059,986	8,532,134	42,333,160	1.14	0.70	1.67
2021	27,719,407	24,569,638	-	52,289,045	1.38	0.81	2.11
2022	22,882,775	22,342,219	-	45,224,994	1.05	0.66	1.78

(1) See Table 5 for taxable property value data.

(2) See Table 11 for personal income and population data.

**TOWN OF SIMSBURY, CONNECTICUT  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Town of Simsbury General Fund			Simsbury Fire District	Total
	Operating Millage	Debt Service Millage *	Total Town Millage	Millage **	
2013	29.21	2.16	31.37	1.03	32.40
2014	34.69	2.60	37.29	1.22	38.51
2015	34.62	2.52	37.14	1.19	38.33
2016	34.89	2.23	37.12	1.19	38.31
2017	34.52	2.60	37.12	1.23	38.35
2018	36.35	2.41	38.76	1.23	39.99
2019	34.80	1.62	36.42	1.17	37.59
2020	35.27	2.05	37.32	1.20	38.52
2021	35.13	1.96	37.09	1.19	38.28
2022	35.17	2.24	37.41	1.22	38.63

\* Debt service millage based on debt expenditures to total appropriations.

\*\* The Simsbury Fire District has no debt.

**TOWN OF SIMSBURY, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 564,044,593	\$ 573,743,814	\$ 585,105,962	\$ 587,668,774	\$ 592,572,134	\$ 599,644,318	\$ 613,118,891	\$ 621,815,943	\$ 643,749,365	\$ 656,657,960
Total Net Debt Applicable to limit	<u>48,887,461</u>	<u>47,507,359</u>	<u>40,378,199</u>	<u>40,073,073</u>	<u>46,245,721</u>	<u>44,185,079</u>	<u>65,861,245</u>	<u>63,230,233</u>	<u>57,950,970</u>	<u>93,530,419</u>
Legal Debt Margin	<u>\$ 515,157,132</u>	<u>\$ 526,236,455</u>	<u>\$ 544,727,763</u>	<u>\$ 547,595,701</u>	<u>\$ 546,326,413</u>	<u>\$ 555,459,239</u>	<u>\$ 547,257,646</u>	<u>\$ 558,585,710</u>	<u>\$ 585,798,395</u>	<u>\$ 563,127,541</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	8.67%	8.28%	6.90%	6.82%	7.80%	7.37%	10.74%	10.17%	9.00%	14.24%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2021 debt limit can be found on Schedule 4 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Population (1)	Personal Income (Thousands of Dollars) (1)	Per Capita Personal Income (1)	Median Age (1)	Education Level in Years of Schooling (1)		School Enrollment (2)	Unemployment Rate (3)
					Percentage of High School Graduate or Higher	Percentage of Bachelor's Degree or Higher		
2013	23,498	\$ 933,106	\$ 39,710	41.0	96.9	60.0	4,501	5.4
2014	23,535	1,018,570	43,279	43.3	95.7	62.7	4,330	4.8
2015	23,535	1,018,571	43,279	43.0	96.9	60.0	4,254	3.2
2016	24,348	1,328,013	54,543	43.8	97.5	65.3	4,133	3.6
2017	23,844	1,271,577	53,329	44.3	97.5	65.0	4,110	3.2
2018	24,952	1,351,825	54,177	44.8	97.1	64.7	4,039	2.8
2019	24,979	1,414,361	56,622	44.7	97.0	67.0	4,018	2.4
2020	25,395	1,535,204	60,453	45.0	97.0	66.0	4,098	7.1
2021	24,799	1,597,700	64,426	45.4	97.7	65.3	3,960	4.7
2022	25,395	1,729,704	68,112	45.4	98.2	66.5	4,029	3.0

Sources: Population, personal income, median age, and education level provided by Town of Simsbury.

(1) U. S. Census Bureau, CT Data Collaborative, Town Charts

(2) Simsbury, Board of Education

(3) State of Connecticut, Department of Labor

**TOWN OF SIMSBURY, CONNECTICUT  
PRINCIPAL EMPLOYERS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	2022			2013		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Simsbury Board of Education	651	1	4.75 - 10.57 %	654	2	5.85 %
Wings Media Group	500-999	2	3.69 - 8.21	-		-
Everest Global Svc	500-999	3	3.69 - 8.21	-		-
Chubb	250-499	4	1.85 - 4.11	417	4	3.73
Keller Williams Realty	250-499	5	1.85 - 4.11	-		-
Hoffman Auto Group	250-499	6	1.85 - 4.11	195	5	1.74
McLean Home Care	250-499	7	1.85 - 4.11	450	3	4.03
The Hartford Life Insurance Co	-		0.00	1,374	1	12.29
Ensign-Bickford Companies	-		0.00	226	6	2.02
Super Stop & Shop	-		0.00	164	8	1.47
Town of Simsbury	-		0.00	178	7	1.59
Mitchell of Simsbury	-		0.00	109	9	0.97
Hopmeadow Country Club	-		0.00	100	10	0.89
<b>Total</b>	<b><u>2651-4645</u></b>		<b><u>19.53-43.43 %</u></b>	<b><u>3,867</u></b>		<b><u>34.58 %</u></b>

Source: 2022 Data: Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.  
Only 1-7 available, next category is employers with 100-249 employees, and there are a total of 16 in this category.

2013 Data: FY2012/13 Audit Report

**TOWN OF SIMSBURY, CONNECTICUT  
 FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government:</b>										
Central Administration	4.0	4.0	4.0	4.0	5.0	5.0	5.5	5.5	5.5	4.0
Finance	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Tax Collector	1.8	1.8	1.8	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Assessor's	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5	2.0
Town Clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Data Processing	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Public Safety:</b>										
Officers	40.0	39.0	39.0	39.0	38.0	38.0	38.0	36.0	36.0	36.0
Civilians	13.4	13.4	13.4	13.4	11.0	10.0	10.0	10.0	10.0	10.0
<b>Planning and Development:</b>										
Community Development	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	4.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building	3.7	3.5	3.5	3.5	3.5	2.5	2.5	2.5	2.5	2.0
Engineering	2.8	2.8	2.8	2.8	2.8	2.8	1.8	1.5	1.5	1.0
<b>Facilities Management:</b>										
Public Works	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0
Buildings and Maintenance	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	6.0
Highway	20.0	20.0	20.0	20.0	20.0	20.0	20.0	19.0	19.0	19.0
Sewer Treatment Plant	11.0	10.0	10.0	10.0	11.0	11.0	11.0	11.0	11.0	11.0
<b>Social Services</b>										
Social Services	6.5	5.7	5.7	5.7	4.5	4.5	3.5	3.5	3.5	3.0
Public Libraries***	23.7	23.2	23.2	23.1	17.8	17.8	17.8	17.8	17.3	13.0
Parks and Recreation	19.7	20.0	19.0	19.0	17.0	17.0	17.0	17.0	17.0	15.0
<b>Board of Education:</b>										
Certified	396.5	399.7	392.5	387.4	387.8	391.6	390.2	390.9	400.7	401.0
Noncertified	254.6	255.2	251.8	254.6	253.6	262.3	259.5	252.2	247.8	248.0
<b>Total</b>	<b>826.0</b>	<b>824.6</b>	<b>812.9</b>	<b>809.6</b>	<b>799.3</b>	<b>809.8</b>	<b>804.1</b>	<b>793.2</b>	<b>797.6</b>	<b>788.0</b>

Source: Town of Simsbury and Simsbury Board of Education

**TOWN OF SIMSBURY, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government:</b>										
Birth Certificates Issued	223	216	202	213	202	181	202	164	171	162
Death Certificates Issued	243	229	337	208	208	185	168	215	196	195
Marriage Licenses Issued	244	173	214	276	257	269	241	303	281	305
<b>Boards and Agencies:</b>										
Registered Voters	19,238	19,065	19,335	18,065	17,557	16,404	16,103	15,773	15,859	15,997
<b>Planning and Development:</b>										
Building Permits Issued	1,036	1,134	831	790	784	719	877	861	676	681
Building Department Fees	734,416	1,281,258	716,765	1,219,155	1,168,936	369,966	1,121,573	606,216	651,959	497,889
Value of Building Permits (in Thousand of Dollars)	37,012	78,779	36,291	92,540	64,174	24,055	64,448	42,281	35,637	31,908
<b>Public Safety:</b>										
Part I Crimes	134	147	164	152	147	173	147	151	169	189
Motor Vehicle Accidents	544	409	479	562	548	622	584	615	651	510
Medical Calls	1,890	1,869	1,684	1,628	1,708	1,659	1,669	1,559	1,544	1,430
Motor Vehicle Enforcement	3,150	3,802	3,054	3,996	3,367	3,767	3,985	3,757	2,980	3,167
Alarm Responses	769	647	758	820	870	801	915	865	789	810
Total Incidents	46,682	52,019	48,202	43,733	35,148	37,122	33,912	32,183	31,256	36,171
<b>Facility Management:</b>										
Miles of Roads Maintained	165	165	165	165	164	164	164	164	164	164
<b>Public Libraries:</b>										
Volumes in Collection	100,534	107,906	117,415	123,064	131,738	136,436	150,553	152,567	147,540	153,179
Items Circulated	402,211	279,879	366,410	427,340	363,437	376,364	389,691	396,836	426,575	461,477
Attendance	54,746	26,772	49,550	370,384	372,334	381,907	375,523	361,357	314,928	254,745
Events	2,548	898	1,356	1,860	1,528	1,447	1,631	1,573	1,100	1,010
<b>Human Services:</b>										
Dial-A-Ride Passengers	4,890	3,044	5,303	8,199	8,105	8,576	9,275	9,704	9,405	9,768
Dial-A-Ride Traveled Miles	38,674	43,001	33,598	57,846	42,851	44,864	46,195	49,066	48,799	50,342
<b>Education:</b>										
Elementary Schools	5	5	5	5	5	5	5	5	5	5
Middle Schools	1	1	1	1	1	1	1	1	1	1
High Schools	1	1	1	1	1	1	1	1	1	1

**TOWN OF SIMSBURY, CONNECTICUT  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Safety:										
Police Stations	-	-	-	-	-	-	-	-	-	1
Substations	-	-	-	-	-	-	-	-	-	1
Police Vehicles	-	-	-	-	-	-	-	-	-	18
Facility Management:										
Miles of Town Roads	165	165	165	165	164	164	164	164	164	164
Miles of Sidewalks	14	14	14	9	8	8	8	8	8	8
Sanitary Sewers (Miles)	82	82	81	81	81	81	81	81	81	81
Storm Sewers (Miles)	55	55	55	55	55	55	55	55	55	55
Treatment Capacity (Thousands of Gallons)	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800
Parks and Recreation:										
Acreage	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815
Neighborhood Parks	11	11	11	11	11	11	11	11	11	11
Playgrounds (Including Schools)	12	12	12	12	12	12	12	12	12	12
Swimming Pools	6	6	6	6	6	6	6	6	6	6
Ice Skating Facilities	1	1	1	1	1	1	1	1	1	1
Public Golf Course	1	1	1	1	1	1	1	1	1	1
Tennis Courts	17	17	17	17	17	17	17	17	17	17
Baseball Fields	14	14	14	14	14	14	14	14	14	14
Basketball Courts	2	2	2	2	2	2	2	2	2	2
Soccer Fields	21	21	21	21	21	21	21	21	21	21
Football Fields	2	2	2	2	2	2	2	2	2	2
Health and Welfare:										
Community Center	1	1	1	1	1	1	1	1	1	1
Dial-A-Ride Buses	2	2	2	2	2	2	2	2	2	2

Source(s): Various Town Departments